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Draft Red Herring Prospectus  
Dated: July 20, 2022  
Please read Section 26 and  
32 of The Companies Act, 2013  
100% Book Built Issue

**ANNAPURNA SWADISHT LIMITED**  
**CIN: U15133WB2022PTC251553**

| REGISTERED OFFICE   |  | CONTACT PERSON    | EMAIL AND TELEPHONE  | WEBSITE  |
|---|--|-------------------|--|--|
| 90, Phears Lane,<br>Unit No. 604, 6th floor, Kolkata- 700012 (West Bengal)  |  | Mr. Shakeel Ahmed | <a href="mailto:cs@annapurnasnacks.in">cs@annapurnasnacks.in</a><br>+ 91 33 46032805   | <a href="http://www.annapurnasnacks.in">www.annapurnasnacks.in</a>   |
| <b>THE PROMOTERS OF OUR COMPANY ARE RITESH SHAW AND SHREERAM BAGLA</b>  |  |                   |  |  |
| <b>DETAILS OF THE ISSUE TO PUBLIC</b>   |  |                   |  |  |
| TYPE  | FRESH ISSUE  | OFS SIZE          | TOTAL ISSUE SIZE   | ELIGIBILITY  |
| Fresh Issue   | 43,22,000 Equity Shares aggregating to ₹ [●] Lakhs | -                 | 43,22,000 Equity Shares aggregating to ₹ [●] Lakhs   | The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations, 2018. As the Company's post issue face value capital exceeds ₹1000 Lakhs but does not exceed ₹ 2500 Lakhs. |
| <b>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</b>   |  |                   |  |  |
| <b>RISKS IN RELATION TO THE FIRST ISSUE</b>   |  |                   |  |  |
| The face value of the Equity Shares is ₹ 10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company in consultation with the BRLM), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "Basis for Issue Price" beginning on page 74, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.   |  |                   |  |  |
| <b>GENERAL RISK</b>   |  |                   |  |  |
| Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 23 of this Draft Red Herring Prospectus. |  |                   |  |  |
| <b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>   |  |                   |  |  |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.  |  |                   |  |  |
| <b>LISTING</b>  |  |                   |  |  |
| The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of the National Stock Exchange of India Limited ("NSE EMERGE"). In terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our Company has received in-principal approval letter dated [●] from NSE EMERGE for using its name in this Offer document for listing our shares on the NSE EMERGE. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited.   |  |                   |  |  |
| <b>BOOK RUNNING LEAD MANAGER TO THE ISSUE</b>   |  |                   | <b>REGISTRAR TO THE ISSUE</b>  |  |
| <br><b>Corporate Capital Ventures</b>  |  |                   | <br><b>Skyline Financial Services Pvt. Ltd.</b>  |  |
| <b>CORPORATE CAPITAL VENTURES PRIVATE LIMITED</b><br>B1/E13, First Floor, Mohan Co-operative Industrial Estate,<br>Mathura Road, New Delhi – 110044,<br><b>Tel:</b> +91 11 - 41824066;<br><b>Fax:</b> +91 11 - 41824066<br><b>Email:</b> <a href="mailto:kp@ccvindia.com">kp@ccvindia.com</a><br><b>Website:</b> <a href="http://www.ccvindia.com">www.ccvindia.com</a><br><b>SEBI Registration:</b> INM000012276<br><b>Validity:</b> Permanent<br><b>Contact Person:</b> Mr. Kulbhushan Parashar   |  |                   | <b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b><br>D-153 A, 1st Floor, Okhla Industrial Area, Phase - I,<br>New Delhi-110020<br><b>Tel :</b> +91-11-40450193-197;<br><b>Fax:</b> +91-11-26812683<br><b>Email:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a><br><b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> ;<br><b>SEBI Registration No.:</b> INR000003241<br><b>Validity:</b> Permanent<br><b>Contact Person:</b> Mrs. Rati |  |
| <b>ISSUE PROGRAMME</b>  |  |                   |  |  |
| <b>ISSUE OPENS ON: [●]</b>  |  |                   | <b>ISSUE CLOSES ON: [●]</b>  |  |

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

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**ANNAPURNA SWADISHT LIMITED**  
**CIN:U15133WB2022PTC251553**

Our company was originally formed as Partnership Firm in the name and style of "M/s Annapurna Agro Industries" through partnership deed dated November 27, 2015. Subsequently the constitution of partnership firm was changed through partnership deed dated May 15, 2016, dated April 1, 2018, dated April 1, 2019 and dated February 11, 2020. Further, the Partnership Firm was converted into Private Limited Company "Annapurna Swadisht Private Limited" on February 11, 2022, under Part I (Chapter XXI) of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently, our Company was converted into a public limited company pursuant to approval of the Shareholders at an Extraordinary General meeting held on June 28, 2022 and consequently, the name of our Company was changed to "Annapurna Swadisht Limited" and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company was issued by Registrar of Companies, Kolkata on July 8, 2022. The Corporate Identification Number of our Company is U15133WB2022PTC251553.

**Registered Office:** 90, Phears Lane, Unit No. 604, 6th floor PS- Bowbazar Kolkata- 700012 (West Bengal), India;  
 Tel: 033 - 4603 2805; E-mail: [cs@annapurnasnacks.in](mailto:cs@annapurnasnacks.in); Website: [www.annapurnasnacks.in](http://www.annapurnasnacks.in);  
 Contact Person: Mr. Shakeel Ahmed, Company Secretary and Compliance Officer;

**OUR PROMOTERS: RITESH SHAW AND SHREERAM BAGLA**

**INITIAL PUBLIC OFFER OF UP TO 43,22,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF ANNAPURNA SWADISHT LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING TO ₹ [●] LAKHS (THE "ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UP TO 2,16,000 EQUITY SHARES OF FACE VALUE ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, AGGREGATING UP TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UP TO 41,06,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, AGGREGATING UP TO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.32% AND 25.00% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [●], ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER [●] AND [●] EDITIONS OF THE BENGALI REGIONAL NEWSPAPER [●], A BENGALI I NEWSPAPER, BENGALI BEING THE REGIONAL LANGUAGE OF WEST BENGAL, WHERE OUR REGISTERED OFFICE IS LOCATED, EACH WITH WIDE CIRCULATION, AT LEAST 2(TWO) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

IN CASE OF ANY REVISION IN THE PRICE BAND, THE BID/ISSUE PERIOD WILL BE EXTENDED BY AT LEAST THREE ADDITIONAL WORKING DAYS AFTER SUCH REVISION IN THE PRICE BAND, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. IN CASES OF FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, OUR COMPANY MAY, FOR REASONS TO BE RECORDED IN WRITING, EXTEND THE BID/ISSUE PERIOD FOR A MINIMUM OF THREE WORKING DAYS, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID/ISSUE PERIOD, IF APPLICABLE, SHALL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE STOCK EXCHANGES, BY ISSUING A PUBLIC NOTICE, AND ALSO BY INDICATING THE CHANGE ON THE RESPECTIVE WEBSITES OF THE BOOK RUNNING LEAD MANAGERS AND AT THE TERMINALS OF THE SYNDICATE MEMBERS AND BY INTIMATION TO DESIGNATED INTERMEDIARIES AND THE SPONSOR BANK, AS APPLICABLE.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50 % of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCBSs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 211 of this Draft Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

The face value of the Equity Shares is ₹10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company in consultation with the BRLM), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "Basis for Issue Price" beginning on page 74, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 23 of this Draft Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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


**LISTING**

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

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**

  
 Corporate Capital Ventures  
**CORPORATE CAPITAL VENTURES PRIVATE LIMITED**  
 B1/E13, First Floor, Mohan Co-operative Industrial Estate,  
 Mathura Road, New Delhi - 110044,  
 Tel: +91 11 - 41824066;  
 Fax: +91 11 - 41824066  
 Email: [kp@ccvindia.com](mailto:kp@ccvindia.com)  
 Website: [www.ccvindia.com](http://www.ccvindia.com)  
 Permanent SEBI Registration: INM000012276  
 Contact Person: Mr. Kulbhushan Parashar

  
**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**  
 D-153 A, 1st Floor, Okhla Industrial Area, Phase - I,  
 New Delhi-110020  
 Tel : +91-11-40450193-197;  
 Fax: +91-11-26812683  
 Email: [ipo@skylinerta.com](mailto:ipo@skylinerta.com)  
 Website: [www.skylinerta.com](http://www.skylinerta.com);  
 Permanent SEBI Registration No.: INR000003241  
 Contact Person: Mrs. Rati

**ISSUE OPENS ON: [●]**

**ISSUE PROGRAMME**

**ISSUE CLOSES ON: [●]**

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

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

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

#### General Terms

| Term  | Description  |
|---|--|
| “Company”, “our Company”, “Annapurna”, “the Company”, “the Issuer” or “ASL” | Annapurna Swadisht Limited, a company incorporated under the Companies Act, 2013, having its registered office at 90, Phears Lane, Unit No. 604, 6th floor PS- Bowbazar Kolkata- 700012 (West Bengal). |
| “we”, “us”, or “our”  | Unless the context otherwise indicates or implies, refers to our Company.  |

#### 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 Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and Section 177 of the Companies Act, 2013. For details, see “Our Management” on page no. 118 of this Draft Red Herring Prospectus. |
| Auditor / Statutory Auditor/ Peer Review Auditor | Statutory and peer review auditor of our Company, namely, A M R K & Co, Chartered Accountants.   |
| Board / Board of Directors                       | Board of directors of our Company or a duly constituted committee thereof.   |
| Chairman   | The Chairman of our Board of Directors.  |
| Chairperson                                      | The Chairperson of our Company.  |
| Chief Financial Officer / CFO                    | Ravi Sarda the Chief Financial Officer of our Company.   |
| Company Secretary and Compliance Officer         | Shakeel Ahmed, the Company Secretary and the Compliance Officer of our Company.  |
| 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.   |
| Executive Directors                              | Executive directors of our Company.  |
| 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. As on date of this Draft Red Herring Prospectus, our Company has three group companies.                                  |
| 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.   |
| 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 subsection titled “Our Management – Key Managerial Personnel” on page no. 118 of this Draft Red Herring Prospectus.  |
| Managing Director/ MD                            | Shreeram Bagla is the Managing Director of our Company.  |
| Materiality Policy                               | A policy adopted by our Company, in its Board meeting held on July 8, 2022, for identification of group companies, material creditors and material litigations.  |
| Memorandum of                                    | Memorandum of Association of our Company, as amended from time to time.  |

| Term   | Description   |
|--|---|
| Association / MoA  |   |
| 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 "Our Management" on page no. 118 of this Draft Red Herring Prospectus.   |
| Non-executive Directors  | Non-executive Directors of our Company.   |
| 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 "Our Promoters and Promoter Group" on page no. 132 of this Draft Red Herring Prospectus.   |
| Promoters  | The promoters of our Company, namely Ritesh Shaw and Shreeram Bagla. For further details, please see the section entitled "Our Promoters and Promoter Group" on page no. 132 of this Draft Red Herring Prospectus.  |
| Registered Office  | The registered office of our Company situated at 90, Phears Lane, Unit No. 604, 6th floor PS-Bowbazar Kolkata- 700012 (West Bengal)   |
| Registrar of Companies/ RoC  | Registrar of Companies, Kolkata, West Bengal.   |
| Restated Financial Statements /Restated Financial Information/ Restated Consolidated Financial Information | Restated financial statements FY 2021, FY 2020, 1 <sup>st</sup> April 2021 to 11 <sup>th</sup> February 2012 and 12 <sup>th</sup> February 2012 to 31 <sup>st</sup> March 2022 prepared and examined by the Auditor in accordance with the requirements of the Companies Act and restated in accordance with the provisions of the SEBI ICDR Regulations.<br><br>For details, see "Financial Information" on page no. 140 of this Draft Red Herring 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 "Our Management" on page no. 118 of this Draft Red Herring Prospectus.   |

#### Issue Related Terms

| Term  | Description   |
|---|---|
| Acknowledgement Slip                          | The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application  |
| Allot/ Allotment/ Allotted                    | Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and 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                                      | A successful applicant to whom the Equity Shares are Allotted.  |
| Anchor Investor Portion                       | No portion was allocated to Anchor Investor in the Issue.   |
| Anchor Investor(s)                            | A Qualified Institutional Buyer, applying under the Anchor Investor portion for a minimum Bid of at least ₹ 1,000 lakhs, in accordance with the SEBI ICDR Regulations.  |
| Application Supported by Blocked Amount/ ASBA | An application, whether physical or electronic, used by a Bidder to make a Bid and authorize a SCSB to block the Bid Amount in the ASBA account and will include amounts blocked by SCSB upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism.  |
| ASBA Bid                                      | A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.  |
| ASBA Bidders                                  | All Bidders who make a Bid pursuant to the terms of the Draft Red Herring Prospectus, Red Herring Prospectus and this Prospectus and the Bid cum Application Form.  |
| ASBA Form                                     | An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Bidders and which was considered as an application for Allotment in terms of the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.   |
| Applicant(s)                                  | Any prospective investor who makes an application for Equity Shares in terms of this Draft Red Herring Prospectus.  |
| Application Amount                            | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.  |
| Application Intermediary                      | Collecting<br>1) an SCSB, with whom the bank account to be blocked, is maintained.<br>2) a syndicate member (or sub-syndicate member),<br>3) a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker"),<br>4) a depository participant ('DP') (and whose name is mentioned on the website of the stock |

| Term   | Description  |
|--|--|
|  | exchange as eligible for this activity),<br>5) a registrar to an issue and share transfer agent ('RTA') (and whose name is mentioned on the website of the stock exchange as eligible for this activity)   |
| Application Form                               | The form in terms of which the prospective Applicants shall apply for the Equity Shares of our Company.  |
| Application Supported by Blocked Amount/ ASBA  | An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB and will include amounts blocked by RIIs using UPI Mechanism.  |
| ASBA Account                                   | A bank account maintained with an SCSB which may be blocked by such SCSB or the account of the RIBs blocked upon acceptance of UPI Mandate Request by the RIBs using the UPI Mechanism to the extent of the Application Amount of the ASBA Applicant.  |
| ASBA Applicant(s)                              | Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus and the Application Form.  |
| ASBA Application                               | An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Applicant which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus.  |
| ASBA Form                                      | An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applications and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus and the Prospectus.   |
| 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 will be opened, in this case being [●].  |
| Basis of Allotment                             | Basis on which the Equity Shares will be Allotted to successful Applicant under the Issue and which is described in "Issue Procedure" on page no. 211 of this Draft Red Herring Prospectus.  |
| Broker Centres                                 | Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application forms to a Registered Broker. the details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the NSE on the following link:                                   |
| Bidding Centres                                | The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.                                    |
| Book Building Process                          | The book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue was made.  |
| Business Day                                   | Monday to Friday (except public holidays)  |
| CAN / Confirmation of Allocation Note          | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.   |
| Client ID                                      | Client identification number maintained with one of the Depositories in relation to demat account  |
| Collecting Depository Participant(s) or 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. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI   |
| Collecting Registrar and Share Transfer Agent  | Registrar to an offer and 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 issued by SEBI   |
| Controlling Branches                           | Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Offer and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time                            |
| Cut-off Price                                  | The Issue Price, finalised by our Company in consultation with the BRLM, which was the price within the Price Band.<br><br>Only Retail Individual Bidders (subject to the Bid Amount being up to ₹ 200,000) are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price. |
| Demographic Details                            | The demographic details of the Applicants such as their Name, Address, Pan, Occupation, Applicant Status and Bank Account details etc.   |
| Depository/ Depositories                       | A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time.  |
| Depository Participant/DP                      | A Depository Participant as defined under the Depositories Act, 1996, as amended from time to time.  |



| Term                                   | Description  |
|--|--|
| Designated CDP Locations               | Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. 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 website of the Stock Exchange.  |
| Designated Date                        | The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the Applicants to the Public Offer Account.   |
| Designated Intermediary(ies)           | An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).  |
| Designated Market Maker / Market Maker | In our case, [●]   |
| Designated SCSB Branches               | Such branches of the SCSBs which collected the ASBA Application Form from the applicants and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.   |
| Designated Stock Exchange/ SE          | SME Platform of the NSE Limited (NSE)-NSE EMERGE   |
| Draft Red Herring Prospectus           | The Draft Red Herring Prospectus dated July 20, 2022 issued in accordance with section 26 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulation, 2018 as amended from time to time.   |
| DP ID                                  | Depository Participant's identity number   |
| Escrow Agreement                       | Agreement dated [●] entered in to amongst our Company, Book Running Lead Manager and the Registrar, the Banker(s) to the Issue/ Escrow Collection Bank(s) for collection of the Application Amounts from the ASBA Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.  |
| Eligible NRI(s)                        | NRIs from such jurisdiction outside India where it is not unlawful for our Company to make this Issue or an invitation under this Issue and in relation to whom the Reconstitutes an invitation to subscribe to the Equity Shares offered herein.  |
| Equity Listing Agreements              | The listing agreements to be entered into by our Company with the Stock Exchanges in relation to our Equity Shares.  |
| Electronic Transfer of Funds           | Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.   |
| Escrow Account(s)                      | The 'no-lien' and 'no-interest bearing' account(s) opened for the Issue with the Escrow Collection Bank and in whose favour the Applicants (excluding ASBA applicants) may issue or transfer money through direct credit/NACH/NEFT/RTGS in respect of the Amount when submitting a Application.  |
| Escrow Agent                           | [●]  |
| 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 [●].   |
| Floor Price                            | The lower end of the Price Band i.e. ₹ [●] per Equity Share.   |
| 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 and the circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM. |
| Issue Agreement                        | The agreement dated September 25, 2021 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.  |
| Issue Proceeds                         | The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see "Objects of the Issue" on page no. 69 of this Red Herring Prospectus.  |
| Issue/Issue Size                       | Initial Public Offering of up to 43,22,000 Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs.   |
| Book Running Lead Manager/ BRLM        | The Book Running Lead Manager to the Issue, being Corporate CapitalVentures Private Limited.   |
| 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                            | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.   |

| Term   | Description  |
|--|--|
| Net Issue                                    | The Issue (excluding the Market Maker Reservation Portion) of 41,05,900 Equity Shares of ₹ 10/- each of Annapurna Swadishit Limited at ₹ [•] Per Equity Share aggregating to ₹ [•] Lakhs.  |
| NIF  | National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India   |
| Net QIB Portion                              | [•] Equity Shares.   |
| Non-Institutional Investors                  | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than ₹2,00,000.  |
| Non-Institutional Portion                    | All Applicants (including Category III FPIs which are foreign corporate or foreign individuals but not including NRIs, other than eligible NRIs) that are not Qualified Institutional Buyers (QIBs)(including Anchor Investors or Retail Individual Applicants/Investors and who have applied for Equity Shares for an amount more than ₹ 2,00,000.  |
| Non-Resident Indian/NRI                      | A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000.  |
| Non-Resident/ NR                             | A person resident outside India, as defined under FEMA and includes a non-resident Indian, FPIs and FVCIs.   |
| NSE SME                                      | The Emerge platform of National Stock Exchange Limited, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI (ICDR) Regulations, 2018.   |
| OCB/Overseas Corporate Body                  | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.  |
| Payment through electronic transfer of funds | Payment through UPI, NECS, Direct Credit, RTGS or NEFT, as applicable.   |
| Person/Persons                               | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.  |
| Promoters' Contribution                      | In terms of Regulations 236 of the SEBI ICDR Regulations, an aggregate of 20% of the post-Issue Equity Share capital of our Company held by our Promoters which shall be considered as Promoters' contribution and locked in for a period of 36 (Thirty Six) months from the date of allotment.  |
| Prospectus                                   | The Prospectus to be filed with the ROC in accordance with Section 26 of the Companies Act, 2013 and SEBI (ICDR), Regulations containing inter alia, the Issue opening and Issue closing dates and other certain information   |
| Public Issue Account Bank                    | Account opened with Banker to the Issue, i.e. [•] under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.   |
| Price Band                                   | Price Band of a minimum price of ₹[•] per Equity Share (Floor Price) and the maximum price of ₹[•] per Equity Share (Cap Price), including any revisions thereof.<br><br>The Price Band and minimum Bid Lot for the Issue was decided by our Company in consultation with the BRLM and was advertised, two (2) Working Days prior to the Bid/Issue Opening Date, in all editions of Business Standard (a widely circulated English national daily newspaper), all editions of Business Standard (a widely circulated Hindi national daily newspaper) and all editions of Arthik Lipi (a widely circulated Bengali newspaper, Bengali being the regional language of Kolkata where our Registered Office is located), along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and was made available to the Stock Exchanges for the purpose of uploading on their respective websites.   |
| Qualified Institutional Buyers or QIBs       | QIBs, as defined in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and subaccount (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund and alternative investment fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 2,500 lakhs, pension fund with minimum corpus of ₹ 2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial |

| Term  | Description   |
|---|---|
|   | companies.  |
| Refund Account(s)   | The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made   |
| Refund Bank(s)  | The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●].  |
| Refunds through electronic transfer of funds                              | Refunds through NACH, Direct Credit, RTGS or NEFT, as applicable.   |
| Registered Brokers  | Stockbrokers 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, other than the Members of the Syndicate eligible to procure applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI.  |
| Registrar Agreement   | The registrar agreement dated [●] 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                                 | Registrar and 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 issue by SEBI   |
| Registrar to the Issue / Registrar  | Skyline Financial Services Limited  |
| Retail Individual Applicants/Retail Individual Investor(s)/ RII(s)/RIB(s) | Individual investors, or minors applying through their natural guardians (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than or equal to ₹ 2,00,000/-.   |
| Revision Form   | The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).   |
| Qualified Institutional Buyers/ QIBs                                      | Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.   |
| Red Herring Prospectus/ RHP   | The Red Herring Prospectus to be issued in accordance with section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares were offered and the size of the Issue, and includes any addenda and corrigenda thereto.<br><br>The Red Herring Prospectus was filed with the RoC three (3) Working Days before the Bid/ Issue Opening Date and become the Prospectus upon filing with the RoC on or after the Pricing Date.   |
| 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. |
| Self-Certified Syndicate Banks/ SCSB                                      | Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.   |
| SCSB Agreement  | The deemed agreement between the SCSBs, the Book Running Lead Manager, the Registrar to the Issue and our Company, in relation to the collection of Applications from the ASBA Applicants and payment of funds by the SCSBs to the Public Issue Account   |
| SME Platform of NSE/ SME Exchange/ Stock Exchange/ NSE EMERGE             | The Emerge Platform of NSE, as approved by SEBI as a SME Exchange for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time  |
| Specified Locations   | Centres where the Syndicate shall accept ASBA Forms from the Applicants, a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> and updated from time to time.   |
| Sponsor Bank  | [●], being a Banker to the Issue registered with SEBI, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs using the UPI.   |
| 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   | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as  |

| Term                               | Description  |
|------------------------------------|--|
| Registration Slip                  | the case may be, to the Applicant, as proof of registration of the Application.  |
| Underwriters                       | Corporate Capitalventures Private Limited  |
| Underwriting Agreements            | The agreement dated July 20, 2022 entered into among the Underwriters and our Company  |
| UPI                                | Unified Payment Interface.   |
| 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 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/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard. |
| 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 Amount and subsequent debit of funds in case of Allotment.   |
| UPI Mechanism                      | Process for applications by RIBs submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars.   |
| UPI ID                             | ID created on UPI for single-window mobile payment system developed by the NPCI.   |
| UPI PIN                            | Password to authenticate UPI transaction.  |
| Wilful Defaulter                   | A Company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such.  |
| Working Day                        | All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Issue Period, Term Description the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges. "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI, including the UPI Circulars.   |

#### Conventional and General Terms and Abbreviations

| Term               | Description   |
|--------------------|---|
| A/c                | Account   |
| ACS                | Associate Company Secretary   |
| AGM                | Annual General Meeting  |
| ASBA               | Applications Supported by Blocked Amount  |
| AY                 | Assessment Year   |
| AIF                | Alternative Investment Funds as defined in and registered under SEBI AIF Regulations  |
| Category II FPI(s) | FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations   |
| CAGR               | Compounded Annual Growth Rate   |
| 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  |

| <b>Term</b>                      | <b>Description</b>  |
|----------------------------------|---|
| CLRA                             | Contract Labour (Regulation and Abolition) Act, 1970.   |
| CO                               | Compliance Officer  |
| 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   |
| CS                               | Company Secretary   |
| 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.   |
| 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   |
| 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 Rules                       | The Foreign Exchange Management (Non-debt Instrument) Rules, 2019 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.  |
| 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   |
| 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   |
| IST                              | Indian Standard Time  |
| Insolvency Code                  | Insolvency and Bankruptcy Code, 2016  |
| ISIN                             | International Securities Identification Number  |
| IT                               | Information Technology  |
| Lakhs                            | 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  |
| NSDL                            | National Securities Depository Limited   |
| NSE                             | National Stock Exchange of India Limited   |
| OCB                             | 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   |
| Rule 144A                       | Rule 144A 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, 2019   |
| 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   |
| 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.  |
| STT                             | Securities Transaction Tax   |
| State Government                | The government of a state in India   |
| Trademarks Act                  | Trademarks Act, 1999   |
| 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  |
| VAT                             | Value Added Tax  |

| Term               | Description   |
|--------------------|---|
| 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 months period ending December 31   |

#### Industry Related Terms

| Term     | Description               |
|----------|---------------------------|
| COVID-19 | Coronavirus Pandemic 2019 |
| GDP      | Gross Domestic Product    |
| GVA      | Gross value added         |
| USD      | United States Dollar      |

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 241, 77, 80 , 109 , 140, 182 and 211 respectively of this Draft Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Financial Data

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated ‘beginning on page 140 this Draft Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated beginning on page 140 of this Draft Red Herring Prospectus.

### Currency and units of presentation

In this Draft Red Herring Prospectus, references to Rupees or INR or ₹. are to Indian Rupees, the official currency of the Republic of India. All references to \$, US\$, USD, U.S. \$ or U.S. Dollars are to United States Dollars, the official currency of the United States of America. All references to million / Million / Mn refer to one million, which is equivalent to ten lacs or ten lakhs, the word Lacs / Lakhs / Lac means onehundred thousand and Crore means ten million and billion / bn./ Billions means one hundred crores.

### Industry and Market Data

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

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## FORWARD LOOKING STATEMENTS

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

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

- loss of consumers;
- impact of Covid 19 pandemic or any future pandemic;
- general economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- Adverse natural calamities having significant impact on regions where we are having projects under implementation;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to respond to technological changes;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- general social and political conditions in India which have an impact on our business activities or investments;
- potential mergers, acquisitions restructurings and increased competition;
- occurrences of natural disasters or calamities affecting the areas in which we have operations;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to manage our growth effectively;
- our ability to compete effectively, particularly in new markets and businesses;
- changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business; and
- developments affecting the Indian economy;
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 23, 86 and 172 respectively of this Draft Red Herring Prospectus.

Forward looking statements reflects views as of the date of the Draft Red Herring Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Book Running Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).



## SECTION II - SUMMARY OF OFFER DOCUMENTS

### OVERVIEW OF OUR COMPANY

Our company was originally formed as Partnership Firm in the name and style of “M/s Annapurna Agro Industries” through partnership deed dated November 27, 2015. Subsequently the constitution of partnership firm was changed through partnership deed dated May 15, 2016, dated April 1, 2018, dated April 1, 2019 and dated February 11, 2020. Further, the Partnership Firm was converted into Private Limited Company “Annapurna Swadisht Private Limited” on February 11, 2022, under Part I (Chapter XXI) of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently, our Company was converted into a public limited company pursuant to approval of the Shareholders at an Extraordinary General meeting held on June 28, 2022 and consequently, the name of our Company was changed to “Annapurna Swadisht Limited” and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company was issued by Registrar of Companies, Kolkata on July 8, 2022, 2022. The Corporate Identification Number of our Company is U15133WB2022PLC251553.

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

### SUMMARY OF OUR INDUSTRY

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

#### The FMCG Industry

The Fast-Moving Consumer Goods (FMCG) sector is the fourth largest sector in the Indian economy with a market size of USD 110 billion in 2020. The industry is expected to reach a market size of USD 220 billion by 2025 registering a CAGR of 19% over the forecast period. Within the FMCG sector, Household and Personal Care category accounts for 50% of the sales, Healthcare category contributes to 31% and Food & Beverages category contributes to 19% of the overall sales in this sector.

#### Rural Market to lead FMCG growth

Rural segment is growing at a rapid pace and accounted for a revenue share of 45% in the overall FMCG sector in India. In the last decade, India's rural FMCG market has recorded a CAGR of 11.3% and has contributed 75% growth in the FMCG sector. The growth is mainly driven by increased brand awareness arising from media exposure and higher penetration of internet and mobile phones.

#### Indian Snacks

The snacks industry of India is the most promising and booming segment of the FMCG category. Consumers always prefer healthier and flavorful options in the food market. Besides, snacks are more popular with the younger generation, and India has one of the world's highest number of the younger population. There is a rise in demand for snacks in India; it is driving the companies to grow and operate in this segment lucratively. According to Renub Research latest report, the India Snacks Market is expected to reach US\$ 23.36 Billion by 2026.

#### Increasing demand for packaged snacks

The pandemic has changed the buying patterns of consumers and accelerated the growth of Indian packaged food industry. The industry has seen transition from freshly made snacks to packed, instant and ready-to-cook snacking food items. Millennials & Gen-Zs have adopted snacking attitudes and are purchasing different packaged food choices based on health, convenience, brand and trust. Recently, COVID-19 hassled more people to work from home and the definition of basic

necessity changed from basic foods to snacking and munching items. Considering the hazards attached to non-packaged products there has been rise in demand of packaged food which ensures safety and hygiene in the times of COVID-19.

## SUMMARY OF OUR BUSINESS

Our Company is manufacturer of snacks and food products, namely, Gohona Bori, Fryums, cakes, candies and namkeen and chips. Our key raw materials include refined flour, palm oil, spices and laminates. Our Company use raw material of premium quality sourced from reputed local suppliers, which help us to ensure the quality of our products.

Currently, our company has a two manufacturing unit, located at:

- a. **Asansol Unit:** Girmint road, Majiara, Plot J.L 43, Paschim Bardwan, Asansol, West Bengal - 713301, India.
- b. **Siliguri Unit:** Plot No. RS 471/894, 471, Block - Rajganj, Gram Panchayat - Dabgram II, Mouza - Dabgram, P.S. Bhaktinagar, Vill. & Para - North Shantinagar, Jalpaiguri, West Bengal – 735135, India.

Our units are well equipped with machineries and other handling equipment to facilitate smooth manufacturing process. Along with this, the units also have an in-house laboratory for testing the quality of products.

The installed capacity of our Asansol unit is 15.00 MT per day of 2 shifts and Siliguri unit is 10.00 MT per day of 2 shifts. We presently operate at ~100% in Asansol unit and at ~100% at Siliguri unit at the end of June 30, 2022.

Our Company is in the process of setting of manufacturing facilities at:

- a. Village Dulfa, P.O. Bhastara, P.S. Gurap, District Hooghly, Hooghly, West Bengal – 712303, with an installed capacity of 100 MT per day for flour mill, Cakes 5 MT per day and Rusk 10 MT per day,
- b. Plot F9, NH-VI, WBIDC Food Park, Dhulagori, PO- Sankrail, Howrah – 712302, with an installed capacity of 16 MT per day FRYUMS and Wafer 1.5 MT per day.

Our products are marketed under our own brand names Jackpot, Chatpata Moon, Balloon, Finger, Rambo, Makeup Box, Dhamaka, Phoochka, Jungle Adventures, Ringa, Bachpan Ka Pyaar, Kurchure, Cream Filled Cake Vanilla, Cream Filled Cake Litchi, Cream Filled Cake Mix Fruit, Cream Filled Cake Orange, Cream Filled Cake Chocolate, Mixed Fruit Flavoured Cake, Chocolate Flavoured Sliced Cake, Pluss, Malai Pop, Imly Pop, Coconut Crunch, Kaju Candy, Coffico, Masala Teekha, Salted Chips, Paprika Spices, Tomatina Classic, American Cheese, Gram Gathiya, Gram Chana Jor, Crispy Diet Chidwa, Gram Bhawnagri Sev, Gram Badam Pokora And Gram Masala Muri.

## PROMOTERS

The promoters of our Company are Mr. Ritesh Shaw and Mr. Shriram Bagla. For detailed information please refer chapter titled Our Promoters and Our Promoter Group on page number 132 respectively of this Draft Red Herring Prospectus.

## ISSUE SIZE

The Issue size comprises of issuance of up to 43,22,000 Equity Shares of face value of ₹10/- each fully paid-up of the Company for cash at price of ₹[●] per Equity Share (including premium of ₹[●] per Equity Share) aggregating ₹[●].

## OBJECTS OF THE ISSUE

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

| S. N.        | Particulars                 | Amount (In ₹. Lakh) |
|--------------|-----------------------------|---------------------|
| 1            | Working Capital Requirement | [●]                 |
| 2            | General Corporate Purposes* | [●]                 |
| 3            | Issue Expenses              | [●]                 |
| <b>Total</b> |                             | [●]                 |

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

**AGGREGATE PRE-ISSUE & POST-ISSUE SHAREHOLDING OF THE PROMOTER, PROMOTER GROUP & PUBLIC AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE ISSUER**

| S. N.                      | Name of share holder                | Pre issue            |                          | Post issue           |                          |
|----------------------------|-------------------------------------|----------------------|--------------------------|----------------------|--------------------------|
|                            |                                     | No. of equity Shares | As a % of Issued Capital | No. of equity shares | As a % of Issued Capital |
| <b>Promoters</b>           |                                     |                      |                          |                      |                          |
| 1                          | Shreeram Bagla                      | 1000000              | 8.26%                    | 1000000              | 6.09%                    |
| 2                          | Ritesh Shaw                         | 7450000              | 61.57%                   | 7450000              | 45.37%                   |
| <b>Total – A</b>           |                                     | <b>8450000</b>       | <b>69.83%</b>            | <b>8450000</b>       | <b>51.46%</b>            |
| <b>Promoter Group</b>      |                                     |                      |                          |                      |                          |
| 3                          | Anisha Agarwal                      | 65000                | 0.54%                    | 65000                | 0.40%                    |
| <b>Total – B</b>           |                                     | <b>65000</b>         | <b>0.54%</b>             | <b>65000</b>         | <b>0.40%</b>             |
| <b>Total – A+ B</b>        |                                     | <b>8515000</b>       | <b>70.37%</b>            | <b>8515000</b>       | <b>51.85%</b>            |
| <b>Public</b>              |                                     |                      |                          |                      |                          |
| 4                          | Rajasthan Global Securities Limited | 300000               | 2.48%                    | 300000               | 1.84%                    |
| 5                          | NAV Capital Emerging Star Fund      | 200000               | 1.65%                    | 200000               | 1.23%                    |
| 6                          | K&I Wealth Advisors LLP             | 200000               | 1.65%                    | 200000               | 1.23%                    |
| 7                          | Shankar Sharma                      | 125000               | 1.03%                    | 125000               | 0.77%                    |
| 8                          | Amit Bhartia                        | 125000               | 1.03%                    | 125000               | 0.77%                    |
| 9                          | Seema Sawtal                        | 300000               | 2.48%                    | 300000               | 1.84%                    |
| 10                         | Moumita Singhania                   | 200000               | 1.65%                    | 200000               | 1.23%                    |
| 11                         | Pawan Jaiswal                       | 150000               | 1.24%                    | 150000               | 0.92%                    |
| 12                         | Mahendra Kumar Jhunjhunwala         | 150000               | 1.24%                    | 150000               | 0.92%                    |
|                            | Others                              | 1835000              | 15.17%                   | 1835000              | 11.17%                   |
|                            | IPO                                 | -                    | -                        | 4322000              | 26.32%                   |
| <b>Total-C</b>             |                                     | <b>3585000</b>       | <b>29.63%</b>            | <b>7907000</b>       | <b>48.15%</b>            |
| <b>Grand Total (A+B+C)</b> |                                     | <b>12100000</b>      | <b>100.00%</b>           | <b>16422000</b>      | <b>100.00%</b>           |

**SUMMARY OF FINANCIAL INFORMATION**

(Amount ₹ in Lakhs)

| Particulars                              | For the year ended March 31 |          |          |
|--|-----------------------------|----------|----------|
|  | 2022                        | 2021     | 2020     |
| Share Capital                            | 700.00                      | 231.21   | 82.67    |
| Net Worth                                | 755.39                      | 231.21   | 82.67    |
| Revenue (total income)                   | 6,104.66                    | 2,029.99 | 1,374.55 |
| Profit after Tax                         | 240.90                      | 51.13    | 32.85    |
| Earnings per share Basic and Diluted     | 3.44                        | 0.73     | 0.47     |
| Net Asset Value per Equity Share (in ₹.) | 10.79                       | -        | -        |
| <b>Total borrowings</b>                  |                             |          |          |
| - Long Term                              | 347.44                      | 392.68   | 125.07   |
| - Short Term                             | 381.28                      | 174.39   | -        |

\*Note

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

2. The number of Equity Shares are considered as on March 31, 2022. As on date of this Draft Red Herring Prospectus the number of Equity Shares are 1,21,00,000.

3. The Company has been formed upon conversion of partnership firm vied CoI dated 11-02-2022, and the capital of firm was ₹700.00 lakhs against which 70 lakhs equity shares of ₹10 each was issued. Accordingly, EPS per share for all the years has been calculated by considering the number of shares outstanding post conversion of partnership firm into Company and NAV have been calculated only for FY2022 considering the number of shares outstanding post conversion of partnership firm into Company.

## QUALIFICATIONS OF AUDITORS

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

## SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

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

| Name                           | By/Against | Civil Proceedings | Criminal Proceedings | Tax Proceedings | Actions by regulatory authorities | Amount Involved (₹) |
|--------------------------------|------------|-------------------|----------------------|-----------------|-----------------------------------|---------------------|
| Company                        | By         | -                 | -                    | -               | -                                 | -                   |
|                                | Against    | 01                | -                    | -               | -                                 | Unascertainable     |
| Promoter                       | By         | -                 | -                    | -               | -                                 | -                   |
|                                | Against    | -                 | -                    | -               | -                                 | -                   |
| Group Companies/Entities       | By         | -                 | -                    | -               | -                                 | -                   |
|                                | Against    | -                 | -                    | -               | -                                 | -                   |
| Directors other than promoters | By         | -                 | -                    | -               | -                                 | -                   |
|                                | Against    | -                 | -                    | -               | -                                 | -                   |

For further details, please refer chapter titled “Outstanding Litigations & Material Developments” beginning on page 182 of this Draft Red Herring Prospectus.

## RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” beginning on page 23 of this Draft Red Herring Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As on the date of filing this Draft Red Herring Prospectus there is no contingent liability other than that mentioned in “Financial Statements”, as Restated ‘beginning on page 140 this Draft Red Herring Prospectus on the Company.

## SUMMARY OF RELATED PARTY TRANSACTIONS

For details of Related Party Transaction, please refer chapter titled Annexure 33 on page 138 of this Draft Red Herring Prospectus.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters and Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

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

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in ₹) |
|----------------------|--------------------|------------------------------------|
| Shreeram Bagla       | 1000000            | 10.00                              |
| Ritesh Shaw          | 7450000            | 9.91                               |

## **AVERAGE COST OF ACQUISITION**

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

| <b>Name of the Promoter</b> | <b>No. of Shares held</b> | <b>Average cost of Acquisition (in ₹)</b> |
|-----------------------------|---------------------------|---|
| Shreeram Bagla              | 1000000                   | 10.00                                     |
| Ritesh Shaw                 | 7450000                   | 9.91                                      |

## **DETAILS OF PRE-ISSUE PLACEMENT**

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

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

Our company has issued 70,00,000 equity shares in last one (1) year at par pursuant to conversion of partnership firm M/s Annapurna Agro Industries into Company under Part I chapter XXI of the Companies Act, 2013, to the partners of the firm against the outstanding credit balance of Partners Capital Account.

For more details, refer – Capital Structure on page number 54 of this Draft Red Herring Prospectus.

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

The Company has not undertaken any Split / consolidation of its equity shares in the last one (1) year.

*This space has been left blank intentionally*

### SECTION III- RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 86 and 172, respectively, of this Draft Red Herring Prospectus as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page number 140 of this Draft Red Herring Prospectus.*

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

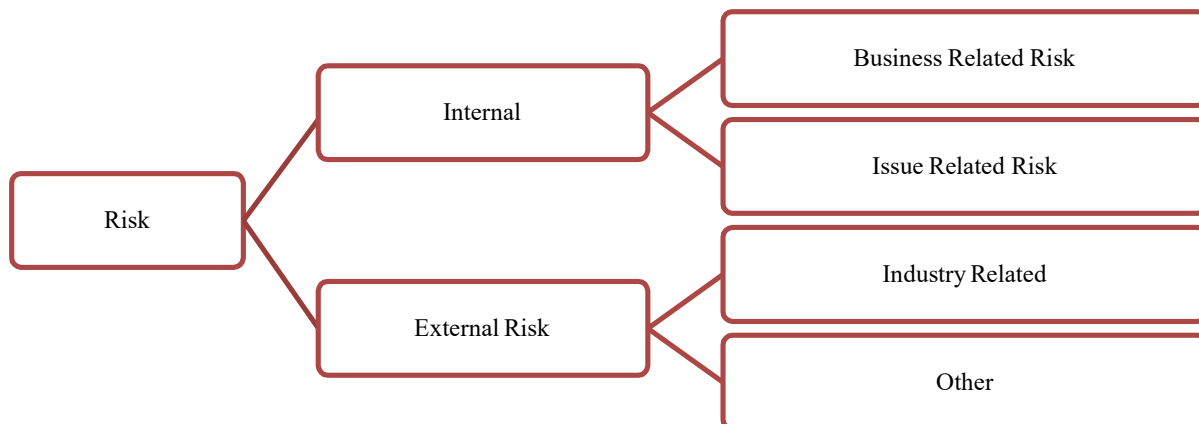
*This Draft Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere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

#### Materiality

The Risk factors have been determined based on their materiality, which has been decided based on following factors:

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

#### Classification of Risk Factors



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

1. Some risks may not be material individually but may be material when considered collectively.
2. Some risks may have material impact qualitatively instead of quantitatively.
3. Some risks may not be material at present but may have a material impact in the future.

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

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

#### INTERNAL RIK FACTORS

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

Our Company is involved in certain legal proceeding and claims in relation to certain civil matters incidental to our business and operations. These legal proceedings are pending at different level of adjudication before various courts and tribunals. Any adverse decision may render the Company/him liable to liabilities/penalties and may adversely affect our business and results of operations. A classification of these legal and other proceedings are as follows:

##### ***Litigations involving our company:***

| Name                           | By/Against | Civil Proceedings | Criminal Proceedings | Tax Proceedings | Actions by regulatory authorities | Amount Involved (₹) |
|--------------------------------|------------|-------------------|----------------------|-----------------|-----------------------------------|---------------------|
| Company                        | By         | -                 | -                    | -               | -                                 | -                   |
|                                | Against    | 01                | -                    | -               | -                                 | Unascertainable     |
| Promoter                       | By         | -                 | -                    | -               | -                                 | -                   |
|                                | Against    | -                 | -                    | -               | -                                 | -                   |
| Group Companies/Entities       | By         | -                 | -                    | -               | -                                 | -                   |
|                                | Against    | -                 | -                    | -               | -                                 | -                   |
| Directors other than promoters | By         | -                 | -                    | -               | -                                 | -                   |
|                                | Against    | -                 | -                    | -               | -                                 | -                   |

For further details, see chapter “Outstanding Litigation and Material Developments” beginning on page 182 of Draft Red Herring Prospectus

2. ***The licenses and registration which were in the name of M/s. Annapurna Agro Industries are in the process of transfer in the name of our Company. However, in case any of such licenses and registration are not transferred, the operations of our Company may be adversely affected.***

Our Company is formed upon conversion of the partnership firm M/s. Annapurna Agro Industries under Rule 3(2) of the Companies (Authorised to Registered) Rules, 2014 read with section 366 of the Companies Act, 2013. The licenses and registration which were in the name of M/s. Annapurna Agro Industries are in the process of transfer in the name of our Company. However, in case any of such licenses and registration are not transferred, the operations of our Company may be adversely affected.



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

Our manufacturing facilities are located at:

- a. **Asansol Unit:** Girmint road, Majiara, Plot J.L 43, Paschim Bardwan, Asansol, West Bengal 713 301, India.
- b. **Siliguri Unit:** Plot No. RS 471/894, 471, Block - Rajganj, Gram Panchayat - Dabgram II, Mouza - Dabgram, P.S. Bhaktinagar, Vill. & Para - North Shantinagar, Jalpaiguri, West Bengal 735135.

Both the manufacturing facilities are not owned by Company. Asansol Unit of the Company is owned by Mr. Sanjay Agarwal and Mr. Chandan Jivraha and Siliguri Unit is owned by Sumeru Suppliers & Traders Private Limited.

Asansol Unit has been taken on lease basis for a period of 11 years commencing from March 1, 2022 till February 28, 2033 and Siliguri Unit has been taken on lease for a period of 6 years and 6 months commencing from April 1, 2022 till October 7, 2028. Unless it is renewed, upon termination of the lease, we are required to return the premises of our manufacturing facilities to the Lessor/Licensor. There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensor terminates or does not renew the agreements, we are required to vacate premises of our manufacturing facilities where manufacturing activities are carried out. However, our Company is also in the process of setting of manufacturing facilities at Village Dulfra, P.O. Bhasara, P.S. Gurap, District Hooghly, Hooghly, West Bengal – 712303, and at Plot F9, NH-VI, WBIDC Food Park, Dhulagori, P.O. Sankrail, Howrah -712302, where we can alternatively shift our manufacturing operations or identify alternative premises and enter into fresh lease or leave and license agreement at less favorable terms and conditions. Such a situation could result in time overruns and may adversely affect our operations temporarily.

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

We have an extensive sales and distribution network, that covered approximately 300 nos. of Distributors and 80 Super Distributors as of June 30, 2022, spread across West Bengal, Bihar, Assam, Odisha and Jharkhand in India. We continuously seek to increase the penetration of our products by appointing new distributors and retailers targeted at different customer groups. We cannot assure you that we will be able to successfully identify or appoint new distributors and retailers or effectively manage our existing network. If the terms offered to such distributors and retailers by our competitors are more favourable than those offered by us, distributors and retailers may decline to distribute our products and terminate their arrangements with us. We may be unable to appoint replacement distributors in a timely fashion, or at all, which may reduce our sales volumes and adversely affect our business, results of operations and financial condition.

5. *Increase in the prices of our raw material may have an adverse effect on our business.*

Our key raw materials include refined flour, palm oil, spices, and other additives. We sale our product in packet of 15 grams to 25 grams. The increase in cost of raw material of our products will effect our ability to maintain the quantity of product in the package. This may lead to have an adverse effect on our business, results of operations and financial condition.

6. *A slowdown or shutdown in our manufacturing operations could have an adverse effect on our business, results of operations and financial condition.*

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 the malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same. Further, we may also be exposed to public liability from the end consumer for defects in the quality of the products stored in our premises.

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 significant 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.

7. ***We do not have long term agreements with suppliers for our raw materials and an increase in the cost of or a shortfall in the availability of such raw materials could have an adverse effect on our business, results of operations and financial condition.***

Production quantity and cost of our products are dependent on our ability to source raw materials and packaging materials at acceptable prices, and maintain a stable and sufficient supply of our major raw materials. Our key raw materials include refined flour, palm oil, spices, and other additives. We procure majority of raw material from local suppliers with whom we have no formal arrangements. There can be no assurance that we will be able to procure all of our future raw material requirements at commercially viable prices. Furthermore, in the event that such suppliers discontinue their supply to us or if we are unable to source quality raw material from other suppliers at competitive prices, we may not be able to meet our production and sales targets. Interruption of, or a shortage in the supply of, raw material may result in our inability to operate our production facilities at optimal capacities or at all, leading to a decline in production and sales. An inability to procure sufficient quality raw material at reasonable cost, or an inability to pass on any increases in the price of raw material to our customers could adversely affect our business, results of operations and financial condition.

8. ***There are several restrictive covenants in the loan agreements, which could influence our ability to expand, in turn affecting our business and results of operations.***

We have availed credit facilities from various banks exclusively and in consortium. We have entered into agreements for term loans and financial facilities with our banker / lenders and the covenants in borrowings from bank / lenders, among other things require us to obtain permissions in writing in respect of, including, but not limited to effecting any change in the management/Board of the Company, transfer of controlling interest, capital structure of the Company; undertake any new project, implement any scheme of expansion or acquire fixed assets/machinery, enter into borrowing arrangement either secured or unsecured with any other bank/financial institution/Company or otherwise; except which are approved by Bank/lenders, formulate any scheme of amalgamation, acquisition, merger, or reconstruction etc. For further details on restrictive covenants, please refer to chapter “Statement of Financial Indebtedness” beginning on page 180 of this Draft Red Herring Prospectus.

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

Our business depends significantly on the strength of our brand and reputation in marketing and selling our products. We also believe that maintaining and enhancing the “Annapurna” brand, are critical to maintaining and expanding our customer base. We believe that continuing to develop awareness of our brand, through focused and consistent branding and marketing initiatives is important for our ability to increase our sales volumes and our revenues, grow our existing market share and expand into new markets. Consequently, product defects, consumer complaints, or negative publicity or media reports involving us, or any of our products could harm our brand and reputation and may dilute the impact of our branding and marketing initiatives and adversely affect our business and prospects. In addition, adverse publicity about any regulatory or legal action against us could damage our reputation and brand image, undermine our consumers’ confidence in us and reduce long-term demand for our products, even if the regulatory or legal action is unfounded or immaterial to our operations.

- 10. *The improper handling, processing or storage of our 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 action, damage our reputation and have an adverse effect on our business, results of operations and financial condition.***

All the products that we manufacture are for human consumption and are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. Our raw materials and our products are required to be stored, handled and transported at specific temperatures and under certain food safety conditions. Any shortcoming in the production or storage of our products due to negligence, human error or otherwise, may damage our products and result in non-compliance with applicable regulatory standards. Any allegation that our products contain contaminants could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis.

In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders. For further information on the financing and loan agreements along with the total amounts outstanding and the details of the repayment schedule, please refer to chapter “Statement of Financial Indebtedness” beginning on page 180 of this Draft Red Herring Prospectus.

- 11. *We may also be exposed to public liability from the end consumer for defects in the quality of the products manufactured or stored in our premises.***

Our Company is engaged in the business of manufacturing of food products and have a large portion of end customer are teenagers. We may also be exposed to public liability from the end consumer for defects in the quality of the products manufactured or stored in our premises.

- 12. *The improper handling, processing or storage of our 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 action, damage our reputation and have an adverse effect on our business, results of operations and financial condition.***

All the products that we manufacture are for human consumption and are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. Our raw materials and our products are required to be stored, handled and transported at specific temperatures and under certain food safety conditions. Any shortcoming in the production or storage of our products due to negligence, human error or otherwise, may damage our products and result in non-compliance with applicable regulatory standards. Any allegation that our products contain contaminants could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis.

- 13. *A shortage or non-availability of electricity or water may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.***

Our manufacturing operations require a significant amount and continuous supply of electricity and water and any shortage or non-availability may adversely affect our operations. The production process of certain products, as well as the storage of our products at particular temperatures requires significant power. We currently source our water requirements from bore wells and water tankers and depend on state electricity supply for our energy requirements. Any failure on our part to obtain alternate sources of electricity or water, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations and financial condition.

- 14. West Bengal, Jharkhand Odisha and Bihar states in eastern India contribute more than 98.37% of our revenues for year ended on March 31, 2022. Any loss of business from one or more of these states may adversely affect our revenues and profitability.**

Our company has a strong presence in eastern India. The eastern Indian states contribute to a substantial portion of our revenues for year ended March 31, 2022. Any factors relating to political and geographical changes, growing competition and any change in the demand for our service by customers of these states may adversely affect our ability to retain them. We believe we have maintained good quality standard for our products, however, there can be no assurance that customers of these states will continue to buy our products. We cannot assure that we shall generate the same quantum of business, or any business at all, from these states, and loss of business from one or more of them may adversely affect our revenues and profitability.

The contribution of top three states to our total revenue is as follows:

| (₹ in Lakhs)   |                    |                   |                        |
|----------------|--------------------|-------------------|------------------------|
| <i>Sr. No.</i> | <i>Particulars</i> | <i>March 2022</i> | <i>% of Total Sale</i> |
| 1.             | West Bengal        | 4,188.66          | 68.61%                 |
| 2.             | Bihar              | 465.44            | 7.62%                  |
| 3.             | Jharkhand          | 1,350.97          | 22.13%                 |
| <b>Total</b>   |                    | <b>6,005.07</b>   | <b>98.37%</b>          |

For further details regarding geographical wise revenue bifurcation, please refer to page no. 98 of this Draft Red Herring Prospectus.

- 15. We rely on third-party transportation providers for substantially all of our product distribution and failure by any of our transportation providers to deliver our products on time or at all could result in lost sales.**

We rely on third party transportation providers, with whom we have no formal arrangements, or timely delivery of our required raw materials and for delivery of our products to our customers, distributors and the retailers. Raw materials and our products may be lost, damaged or subject to spoilage and contamination if specific transportation conditions, including specified temperatures, are not maintained by such transportation providers. Disruptions of transportation services because of weather related problems, strikes, lock-outs, inadequacies in road infrastructure or other events could impair our procurement of raw materials and supply to our customers, to the extent that our losses are not covered by insurance.

- 16. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition.**

We have experienced considerable growth over the past three years and we have significantly expanded our operations and product portfolio. Our Company has recorded net profit after tax of ₹ 34.29 lakhs, ₹ 51.13 Lakhs, and ₹240.90 lakhs from the financial year 2020, 2021 and 2022, respectively. We cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to expand further, or at the same rate.

Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates or our inability to meet the expectations of our customers and other stakeholders could have an adverse effect on our business, results of operations and financial condition.

- 17. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations**

We may require several statutory and regulatory permits, licenses and approvals in the ordinary course of our business including Food Safety and Standards Act, 2006, environmental approvals, factory license, labour related and tax related approvals, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all. Any failure

by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, delay in issuance or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “Key Industry Regulations and Policies in India” and “Government and Other Approvals” at pages 109 and 186 respectively of this Draft Red Herring Prospectus.

**18. *Our business depends on protection of our intellectual property in our product range. Our ability to compete effectively will be impaired if we are unable to protect our intellectual property rights.***

We have applied for, but not yet obtained registration with respect to certain trademarks under which we sold our products. For further information, see “Government and Other Approvals” on page 186.

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

**19. *Dependence on debt and outflow of finance cost leads to outflow of cash flows and reduce overall profitability.***

Due to manufacturing activities, our business requires significant working capital. We depend on internal accrual, creditors and borrowed fund to meet our finance for working capital. We may also be required to depend on the additional borrowed capital to fund the working capital in future with increase in volume of operations and production. The additional borrowed fund may require us to dedicate a substantial portion of our cash flow from operations to payments of interests, thereby reducing the availability of our cash flow to fund capital expenditures and other general corporate expenditures. It limits our borrowing ability and places us at a competitive disadvantage relative to competitors that have less debt or greater financial resources.

There can be no assurance that we will be able to generate enough cash flow from operations or that we will be able to obtain enough capital to service our debt or fund our planned capital expenditures. In addition, we may need to refinance some or all of our indebtedness. For further details, please see “Statement of Financial Indebtedness” beginning on page 180 of this Draft Red Herring Prospectus.

**20. *We participate and operate in competitive markets with low barriers to entry which may increase competition and have a material adverse effect on our business, financial condition and results of operations.***

We operate in highly competitive market segments that are highly fragmented among several market participants. In the food product segment, we compete with numerous multinational and Indian companies with sizeable market shares as well as the broader industry comprising numerous small competitors. Our competitors including ITC, Prataap Snacks, Haldiram, DFM Food and Bikaji to name a few. We also believe that free information available on internet about manufacturing food items may also pose a competitive risk.

Moreover, barriers to entry for the market segments in which we operate are generally low as the investment cost is very high. We anticipate these low barriers to entry, combined with forecast growth potential in the food industry, will lead to increased competition both from established players as well as from new entrants in the industry. This could include attrition of our staff to our competitors or our staff establishing competitive enterprises.

- 21. In addition to normal remuneration, other benefits and reimbursement of expenses, some of our Directors (including our Promoter) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, any amount of loan given to the company.**

Some of our Director/Promoters are interested in our Company to the extent of their shareholding, dividend rights, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or promoters would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors or Promoters 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, and our other Shareholders may be unable to affect the outcome of such voting.

*For details relating to benefits and reimbursement of expenses to some of our directors, please refer to section title “Our Management”, “Our Promoters and Promoters’ Group” and Annexure 33 – “Related Party Transaction in chapter titled “Restated Financial Statement” on page nos. 118, 132, & 168 respectively of this Draft Red Herring prospectus.*

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

Our Company has entered into related party transactions with our Promoters and Directors aggregating ₹12.81 Lakhs for the last period ended March 31, 2022, of unsecured loan/advances. While our Company believes that all such transactions have been conducted on the arm’s length basis, there can be no assurance that it could not have been achieved on more favorable terms had such transactions not been entered into with related parties.

Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to “Annexure 33 “Related Party Transactions” on page no. 168 of this Draft Red Herring Prospectus

- 23. Our Company may incur penalties or liabilities for non-compliances with certain provisions of the Companies Act and other applicable laws in the last three (3) Years.**

Our Company may incur penalties or liabilities for non-compliance made inadvertently with certain provisions including lapsed/ made delay in certain filings and/or erroneous filing/ non-filing of e-forms under Company Act applicable to it in the past years. Such non-compliances/delay Compliances/ erroneous filing/ Non-Filing/ Non Registration may incur the penalties or liabilities which may affect the results of operations and financial conditions.

- 24. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company even after the Issue which will allow them to determine the outcome of matters submitted to shareholders for approval.**

Post this Issue, our Promoters and Promoter Group will collectively own 51.85% of our post issue equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over the Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company. In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

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

At present, our company has taken insurance policies as given in chapter “Our Business” beginning on page no. 86, for our assets including stock, properties and transport insurance for protecting us against any material hazards. Any risk of damage may be controlled, but not eliminated. We cannot assure you that there will not be any incidents which may result in liability claims or negative publicity. Although we have liability insurance cover for stocks and properties for certain of our businesses, we cannot assure you that this insurance coverage is adequate or that any losses will be adequately compensated by our insurers in the event of a product liability claim. As a result it may adversely affect our results of operations and financial Conditions.

**26. Our Company's manufacturing activities are labour intensive and depend on availability of skilled and unskilled labourers in large numbers. In case of unavailability of such labourers and / or inability to retain such personnel, our business operations could be affected**

We are in the business of manufacturing and wholesale. The manufacturing process requires daily wage labour. Thus, being labour intensive, we are dependent on labour force for carrying out manufacturing activities. Our Company has employed 235 employees as on June 30, 2022, which consists of employees all of whom are on payroll. The above includes employees in the Top and middle management and also employees who are part of processing unit and office staff. It doesn't included contracted skilled and unskilled labour at our factories. Our operations and performance are labour intensive and depends on our ability to identify, attract and retain both skilled and unskilled labour. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with labour could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

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

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

| Date of allotment | Number of Equity Shares allotted | Face value(₹) | Issue Price (₹) | Nature of Consideration | Nature of allotment   |
|-------------------|----------------------------------|---------------|-----------------|-------------------------|---|
| 11-02-2022        | 1,00,000                         | 10.00         | 10.00           | Other than Cash         | Subscribers to MOA & AOA upon conversion of firm into Company |
| 04-04-2022        | 69,00,000                        | 10.00         | 10.00           | Other than Cash         | Upon conversion of firm into Company                          |
| 19-04-2022        | 10,00,000                        | 10.00         | 10.00           | Cash                    | Right Issue   |
| 26-04-2022        | 10,44,500                        | 10.00         | 10.00           | Cash                    | Right Issue   |
| 14-05-2022        | 8,55,000                         | 10.00         | 45.00           | Cash                    | Preferential Issue  |
| 23-05-2022        | 7,37,500                         | 10.00         | 45.00           | Cash                    | Preferential Issue  |
| 14-06-2022        | 7,75,000                         | 10.00         | 45.00           | Cash                    | Preferential Issue  |
| 27-06-2022        | 1,25,000                         | 10.00         | 45.00           | Cash                    | Preferential Issue  |
| 12-07-2022        | 5,63,000                         | 10.00         | 45.00           | Cash                    | Preferential Issue  |

For details of the Allottees, please refer “Capital Structure” on page 54 of this Draft Red Herring Prospectus.

**28. Our Group Companies have incurred losses in the past and may incur losses in the future.**

One of our group companies has incurred loss in the past. There can be no assurance that our Group Companies will not incur losses in the future, which may have an adverse effect on our reputation and business. The losses incurred by are group company in the last three financial years are as under:

*(Amount in Lakhs)*

| <i>Sr. No.</i> | <i>Name of Company</i>           | <i>2021</i> | <i>2020</i> | <i>2019</i> |
|----------------|----------------------------------|-------------|-------------|-------------|
| 01.            | Annapurna Snacks Private Limited | (0.14)      | (3.42)      | NA*         |

\* Incorporated on 11/09/2019, hence, not applicable.

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

Our Promoters' average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price of the shares proposed to be offered through this Draft Red Herring Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page no. 21 of this Draft Red Herring Prospectus.

**30. Any non-compliance, default or regulatory action on any person belonging to Promoter Group could adversely affect our business reputation and operations.**

In case of imposition of any penalty for any default or non-compliance by any regulatory authority, on the persons belonging to our Promoter Group on chapter, "Promoter Group" beginning on page no. 132, could adversely affect our business operations and reputation. It is not necessary that the company and promoters are directly related to the such defaults, yet this could have adverse effect on the business of the company.

**31. Our company may face low-capacity utilisation in production and manufacturing of products in future which will negatively affect the financial results of our Company.**

Since our company is into manufacturing and wholesale business, the capacity utilisation is an important factor to determine the strength and potential output that can be produced if capacity was fully used. At present our Company is able to utilize full of its capacity. However, in case actual production is lower as compared to installed capacity of plant and machinery for production, this could adversely affect our business operations and consequently will negatively affect the financial results of our Company.

**32. 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 186.



**33. *We could incur substantial costs resulting from a sales recall. This could adversely affect our reputation, result in significant costs to us and expose us to a risk of litigation and possible liability.***

We may be required to recall some of our products from the market due to a specific quality issue or the product not meeting customer requirements. While we have not been required to make any sales recall of our products in the past, we cannot ensure that we would not be required to recall our products in the future. In addition to impacting our market share and the demand for our products, a product recall would likely have repercussions on our brand image and adversely affect our business, results of operations and financial condition.

**34. *If we are unable to accurately forecast demand for our products, our revenues, gross profit and financial condition could be adversely affected.***

The demand for our products depends on many factors and is difficult to forecast due in part to variations in economic conditions, changes in customer preferences, short shelf life of some of our products, changes in competition, seasonality and reliance on key sales and distribution partners. Significant unanticipated fluctuations in demand could result in excess production or inventories which could adversely affect our revenues, gross profit and financial condition.

**35. *Any disruption in our information technology systems may adversely affect our business, results of operations and prospects.***

In today's digital world like any other organisation we also depend extensively on the capacity and reliability of our information technology systems, which are subject to damage or incapacitation by natural disasters, human error, power loss, sabotage, computer viruses, hacking, acts of terrorism and similar events or the loss of support services from third parties. Considering the nature of our business and the industry in which we operate, it is imperative for us to have a robust information technology platform. If our data capturing, processing and sharing cannot be integrated and/or we experience any defect or disruption in the use of, or damage to, our information technology systems, it may adversely affect our operations and thereby our business and financial condition.

**36. *Delay in raising funds from the IPO could adversely impact the implementation schedule.***

The proposed use of issue proceeds is to set up the manufacturing plant at (a) Village Dulfa, P.O. Bhastara, P.S. Gurap, District Hooghly, Hooghly, West Bengal – 712303 and (b) Plot F9, NH-VI, WBIDC Food Park, Dhulagori, PO-Sankrail, Howrah – 712302, as detailed in the section titled "Objects of the Issue" on page no. 69 is to be wholly funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the commencement of our new plant. We therefore, cannot assure that we would be able to execute the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

**37. *We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.***

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, please refer "Dividend Policy" on page 139 of this Draft Red Herring Prospectus.

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

provisions thereof.

Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details regarding our dividend policy, please see “Dividend Policy” on page no 139 of this Draft Red Herring Prospectus.

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

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

**39. *Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us.***

Through this issue our Company proposes to get listed on the SME Platform of NSE and further increase its asset base in order to take the Company to the next level of operational and financial strength. Our Company will be severely dependent on its promoters to effectively implement its growth strategies. Our Promoter have been actively involved in the day to day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoter. If our Promoters are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Financial impact of the aforesaid risk cannot be reasonably quantified.

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

Our success depends on the continued services and performance of our senior management and sales agents. Competition for senior employees and sales agents in the industry is intense and we may not be able to retain our existing team members or attract and retain new team members in the future. The loss of any member of our key team may adversely affect our business, results of operations and financial condition. We do not maintain key man’s life insurance for our Promoters, senior members of our management team or other key personnel.

**41. *The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles “Objects of the Issue”.***

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 69 of this Draft Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our businessplan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “Objects of the Issue” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

**42. *There is no monitoring agency appointed by our Company and the deployments of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.***

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above ₹. 10,000 Lakh. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the Audit Committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

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

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

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

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

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

**45. *Third party industry and statistical data in this Draft Red Herring Prospectus may be incomplete, incorrect or unreliable.***

We have not independently verified data from industry and other publications contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy 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 or unreliable.

**46. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

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

We are exposed to counter party credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients, business partners, suppliers or other counterparties could affect our financial condition, results of Operations and cash flows. For further details of our business and clients, please refer chapter titled “Our Business” and “Management Discussion & Analysis Conditions and Result of Operation” beginning on page 86 & 172 of this Draft Red Herring Prospectus.

**48. *We operate in highly competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.***

India is our primary market and we face high competition in our business from local as well as nationwide players in our industry. Our key services are available from a large number of players providing same or similar services in our industry. Thus, factors affecting our competitive success include, amongst other things, price, demand for our product and/or services, brand recognition and reliability. As a result, to remain competitive in our market, we must continuously strive to reduce our procurement and administrative costs and improve our operating efficiencies. If we fail to do so, our competitors may be able to provide their services at prices lower than our prices, which would have an adverse effect on our market share and results of operations. Our competitors vary in size, and may have better financial, marketing personnel and other resources than us and certain of our competitors have a longer history of established business and reputation in the Indian market as compared with us. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our services, which may result in a decline in our revenues and profitability.

**49. *Prices of raw material is highly volatile and if we are unable to maintain appropriate time span between procurement and selling of our product it may cause significant losses.***

In our business, manufacture and sell products in Indian market. It creates a time gap between the manufacturing and selling of our products and the cost of raw material are highly variable, which cannot be hedged. Any fluctuation in these components as aforesaid may affect our cost and supply of the services. Therefore, any significant increase in these prices due to any reasons, and our inability to pass on increased costs to our customers or reduction in demand from our customers, may adversely affect our revenue and profitability. For further details, see “Our Business” on page no. 86 of this Draft Red Herring Prospectus.

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

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

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

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

**52. *Interest rate fluctuations may adversely affect the Company's business.***

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

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

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

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

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

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

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

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

## **ISSUE RELATED RISK**

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

Our Company has issued 1,21,00,000 Equity shares during the last 6 months on Right Basis and Preferential Basis as explained in detail in Chapter title “Capital Structure” on page 54 of this Draft Red Herring Prospectus. These Equity Shares has been issued at a price which are lower than the offer price of this Issue.

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

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

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

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

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

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

- a. Volatility in the Indian and global capital market;
- b. Company’s results of operations and financial performance;
- c. Performance of Company’s competitors,
- d. Adverse media reports on Company or pertaining to our Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India’s economic and fiscal policies; and
- g. Significant developments in India’s environmental regulations.

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

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

The Issue Price of our Equity Shares has been determined by book building method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 74 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price.

We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

***61. Within the parameters as mentioned in the chapter titled “Objects of this Issue” beginning on page 69 of this Draft Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

The deployment of funds as stated in the Objects of the Issue beginning on page 69 of this Draft Red Herring Prospectus is entirely at our discretion and is not subject to monitoring by any independent agency. All the figures included under the Objects of the Issue are based on our own estimates. There has been no independent appraisal of the project. We have not entered into any definitive agreements to utilize a portion of the Issue.

***This place has been left blank intentionally***

## EXTERNAL RISK FACTORS

**62. *Changes in the Government Policy could adversely affect economic conditions in India generally and our business in particular.***

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

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

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

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

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

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months is not subject to capital gains tax in India if securities transaction tax (-STT) is paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax. Any change in tax provisions may significantly impact your return on investments.

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

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

**67. *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 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.

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

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

**69. *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.

## SECTION IV- INTRODUCTION

### THE ISSUE

| <b>PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>  |   |
|---|---|
| <b>Offer for Equity Shares*</b>   |   |
| Public Offer of Equity Shares by our Company  | Upto 43,22,000 Equity Shares aggregating to ₹ [●] Lakhs   |
| <b>The Offer consists of:</b>   |   |
| <b>Fresh Issue</b>  | 43,22,000 Equity Shares aggregating to ₹ [●] Lakhs  |
| <b>of which</b>   |   |
| <b>Reserved for the Market Makers</b>   | 2,16,000 Equity Shares aggregating to ₹ [●] Lakhs   |
| <b>Net Offer to the Public</b>  | 41,06,000 Equity Shares aggregating to ₹ [●] Lakhs  |
| <b>Out of which</b>   |   |
| <b>A. QIB Portion</b>   | Not more than [●] Equity Shares aggregating to ₹ [●] Lakhs  |
| Of which:   |   |
| (a) Anchor Investor Portion   | Upto [●] Equity Shares aggregating to ₹ [●] Lakhs   |
| (b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)                                | Upto [●] Equity Shares aggregating to ₹ [●] Lakhs   |
| Of which:   |   |
| (i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion)) | Upto [●] Equity Shares aggregating to ₹ [●] Lakhs   |
| (ii) Balance of QIB Portion for all QIBs including Mutual Funds   | Upto [●] Equity Shares aggregating to ₹ [●] Lakhs   |
| <b>B. Non-Institutional Category</b>  | Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs  |
| <b>C. Retail Portion</b>  | Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs  |
| <b>Pre and Post – Issue Equity Shares</b>   |   |
| <b>Equity Shares outstanding prior to the Offer</b>   | 1,21,00,000 Equity Shares of face value of ₹10 each   |
| <b>Equity Shares outstanding after the Offer</b>  | 1,64,22,000 Equity Shares of face value of ₹10 each   |
| <b>Objects of the Offer/ Use of Offer Proceeds</b>  | Please see the chapter titled “Objects of the Issue” on page 69 of this Draft Red Herring Prospectus for information about the use of Net Proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale. |

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

**Notes:-**

*\* Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;*

- *minimum fifty per cent. to retail individual investors; and*
- *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.*

**Notes:**

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

*The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 8, 2022 and by the shareholders of our Company, pursuant to section 62(1)(c) of the Companies Act, 2013, vide a special resolution passed at the EOGM held on July 9, 2022.*

**SUMMARY OF OUR FINANCIAL INFORMATION**

| (Amt in Lakh)   |          |                 |                    |                 |                 |
|---|----------|-----------------|--------------------|-----------------|-----------------|
| <b>RESTATED STATEMENT OF ASSETS AND LIABILITIES</b>   |          |                 |                    |                 |                 |
| Particulars   | Note No. | As at           |                    |                 |                 |
|   |          | 31st March 2022 | 11th February 2022 | 31st March 2021 | 31st March 2020 |
| <b>I. EQUITY AND LIABILITIES</b>                      |          |                 |                    |                 |                 |
| <b>1 Shareholder's Fund</b>                           |          |                 |                    |                 |                 |
| (a) Equity Share Capital                              | 6        | 10.00           | 700.00             | 231.21          | 82.67           |
| (b) Reserve & Surplus                                 | 7        | 55.39           | -                  | -               | -               |
| <b>2 Share Application Money pending Allotment</b>    |          | 780.00          | -                  | -               | -               |
| <b>3 Non-Current Liabilities</b>                      |          |                 |                    |                 |                 |
| (a) Long Term Borrowings                              | 8        | 347.44          | 354.94             | 392.68          | 125.07          |
| (b) Deferred Tax Liabilities (Net)                    | 9        | 0.14            | -                  | -               | -               |
| <b>4 Current Liabilities</b>                          |          |                 |                    |                 |                 |
| (a) Short Term Borrowings                             | 10       | 381.28          | 283.36             | 174.39          | -               |
| (b) Trade Payables                                    | 11       | 786.20          | 864.42             | 267.73          | 203.64          |
| (c) Other Current Liabilities                         | 12       | 619.54          | 533.10             | 50.29           | 6.29            |
| (d) Short Term Provisions                             | 13       | 102.61          | 84.13              | 28.19           | 18.21           |
| <b>TOTAL</b>  |          | <b>3,082.61</b> | <b>2,819.95</b>    | <b>1,144.49</b> | <b>435.88</b>   |
| <b>II. ASSETS</b>                                     |          |                 |                    |                 |                 |
| <b>1 Non Current Assets</b>                           |          |                 |                    |                 |                 |
| (a) Property, Plant & Equipment and Intangible Assets |          |                 |                    |                 |                 |
| (i) Property, Plant & Equipment                       | 14       | 928.46          | 680.37             | 418.48          | 129.00          |
| (ii) Capital Work in Progress                         |          | 164.75          | 356.03             | 180.13          | 103.82          |
| (b) Non Current Investments                           | 15       | -               | -                  | 61.00           | 61.00           |
| (c) Long Term Loans & Advances                        | 16       | 31.32           | 30.71              | 13.44           | 11.23           |
| <b>2 Current Assets</b>                               |          |                 |                    |                 |                 |
| (a) Inventories                                       | 17       | 808.87          | 767.12             | 241.73          | 77.07           |
| (b) Trade Receivables                                 | 18       | 625.94          | 541.79             | 95.90           | 42.13           |
| (c) Cash and Cash Equivalents                         | 19       | 178.07          | 59.73              | 4.92            | 7.71            |
| (d) Short Term Loans and Advances                     | 20       | 249.96          | 174.42             | 55.81           | 0.01            |
| (e) Other Current Assets                              | 21       | 95.22           | 209.80             | 73.09           | 3.92            |
| <b>TOTAL</b>  |          | <b>3,082.61</b> | <b>2,819.95</b>    | <b>1,144.49</b> | <b>435.88</b>   |

As per our Report on Even date attached

|  |   |  |
|--|---|--|
| <p><b>for A M R K &amp; Co.</b><br/><b>Chartered Accountants</b><br/>FRN : 327630E</p> <p>CA Roshan Lal Khaitan<br/>Partner<br/>Membership No. : 064377</p> <p>Place: Kolkata<br/>Date: 15.07.2022<br/>UDIN:22064377ANDBJL6442</p> | <p><b>For and on behalf of the Board of Directors</b><br/><b>Annapurna Swadisht Limited</b></p> <p>Shreeram Bagla<br/>Managing Director<br/>Din - 01895499</p> <p>Shakeel Ahmed<br/>Company Secretary</p> | <p>Sumit Sengupta<br/>Whole Time Director<br/>Din: 09184493</p> <p>Ravi Sarda<br/>CFO – PAN - BJOPS9049F</p> |
|--|---|--|

(Amt in Lakh)

**RESTATED STATEMENT OF PROFIT AND LOSS**

| Particulars  | Note No. | For the year ended   |                    | For the period ended |                 |
|--|----------|----------------------|--------------------|----------------------|-----------------|
|  |          | 11.02.22 to 31.03.22 | 11th February 2022 | 31st March 2021      | 31st March 2020 |
| I. Revenue from Operations   | 22       | 1,183.40             | 4,921.26           | 2,029.31             | 1,374.44        |
| II. Other Income   | 24       | 0.02                 | 0.78               | 0.68                 | 0.11            |
| <b>III. Total Revenue (I + II)</b>   |          | <b>1,183.42</b>      | <b>4,922.04</b>    | <b>2,029.99</b>      | <b>1,374.55</b> |
| <b>IV. Expenses:</b>   |          |                      |                    |                      |                 |
| Cost of Materials Consumed   | 25       | 759.36               | 3,984.11           | 1,611.90             | 1,147.98        |
| (Increase) / Decrease in Inventories   | 26       | 40.95                | (451.27)           | (116.06)             | 45.71           |
| Employee Benefits Expense  | 27       | 59.51                | 207.83             | 86.33                | 45.40           |
| Finance Costs  | 28       | 8.23                 | 78.04              | 23.85                | 3.26            |
| Depreciation and Amortization Expense  | 29       | 13.19                | 71.07              | 45.13                | 21.39           |
| Other Expenses   | 30       | 228.17               | 762.62             | 299.52               | 58.30           |
| <b>Total Expenses</b>  |          | <b>1,109.40</b>      | <b>4,652.41</b>    | <b>1,950.67</b>      | <b>1,322.05</b> |
| <b>V. Profit Before Exceptional &amp; Extraordinary Items and Tax (III-IV)</b> |          | <b>74.02</b>         | <b>269.64</b>      | <b>79.32</b>         | <b>52.51</b>    |
| VI Exceptional Items   |          | -                    | -                  | -                    | -               |
| <b>VII Profit before extraordinary items and tax (V-VI)</b>                    |          | <b>74.02</b>         | <b>269.64</b>      | <b>79.32</b>         | <b>52.51</b>    |
| VIII Extraordinary items   |          | -                    | -                  | -                    | -               |
| <b>Profit before Tax (VII-VIII)</b>  |          | <b>74.02</b>         | <b>269.64</b>      | <b>79.32</b>         | <b>52.51</b>    |
| XI Tax Expense:  |          |                      |                    |                      |                 |
| (1) Current Tax  |          | 18.49                | 84.13              | 28.19                | 18.21           |
| (2) Deferred Tax   |          | 0.14                 | -                  | -                    | -               |
| (3) Less: MAT Credit Entitlement   |          | -                    | -                  | -                    | -               |
| <b>X Profit / (Loss) for the period from Continuing Operations(VII-VII)</b>    |          | <b>55.39</b>         | <b>185.51</b>      | <b>51.13</b>         | <b>34.29</b>    |
| XI Profit / (Loss) from Discontinuing Operations                               |          | -                    | -                  | -                    | -               |
| XII Tax Expense of Discontinuing Operations                                    |          | -                    | -                  | -                    | -               |
| XIII Profit/(loss) from Discontinuing Operations (after tax) (XII-XIII)        |          | -                    | -                  | -                    | -               |
| <b>XIV Profit / (Loss) for the period (XI+XIV)</b>                             |          | <b>55.39</b>         | <b>185.51</b>      | <b>51.13</b>         | <b>34.29</b>    |
| XV Earnings per Equity Share:  |          |                      |                    |                      |                 |
| (1) Basic  | 31       | 0.79                 | 2.65               | 0.73                 | 0.49            |
| (2) Diluted  |          | 0.79                 | 2.65               | 0.73                 | 0.49            |

As per our Report on Even date attached

|  |   |  |
|--|---|--|
| <p><b>for A M R K &amp; Co.</b><br/><b>Chartered Accountants</b><br/>FRN : 327630E</p> <p>CA Roshan Lal Khaitan<br/>Partner<br/>Membership No. : 064377<br/>Place: Kolkata<br/>Date: 15.07.2022<br/>UDIN: 22064377ANDBJL6442</p> | <p><b>For and on behalf of the Board of Directors</b><br/><b>Annapurna Swadisht Limited</b></p> <p>Shreeram Bagla<br/>Managing Director<br/>Din - 01895499</p> <p>Shakeel Ahmed<br/>Company Secretary</p> | <p>Sumit Sengupta<br/>Whole Time Director<br/>Din: 09184493</p> <p>Ravi Sarda<br/>CFO – PAN - BJOPS9049F</p> |
|--|---|--|

**STATEMENT OF CASH FLOWS, AS RESTATED**

(₹ In Lakhs)

| Sr. No.   | Particulars   | 11.02.22 to 31.03.22 | For the period ended 11th February 2022 | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|-----------|---|----------------------|---|----------------------------------|----------------------------------|
| <b>A.</b> | <b><u>Cash flow from Operating Activities</u></b>                       |                      |   |                                  |                                  |
|           | Net Profit after tax as per Statement of Profit & Loss                  | 55.39                | 185.51                                  | 50.35                            | 34.29                            |
|           | Adjustments for :   |                      |   |                                  |                                  |
|           | Depreciation & Amortisation Exp.  | 13.19                | 71.07                                   | 45.13                            | 21.39                            |
|           | Interest Income   | (0.02)               | (0.11)                                  | (0.15)                           | -                                |
|           | Provision for Income Tax & Deferred Tax                                 | 18.63                | 84.13                                   | 28.19                            | 18.21                            |
|           |   | 31.80                | 155.09                                  | 73.17                            | 39.60                            |
|           | <b>Operating Profit before Working Capital Changes</b>                  | 87.19                | 340.60                                  | 123.52                           | 73.90                            |
|           | <b><u>Changes in Working Capital</u></b>                                |                      |   |                                  |                                  |
|           | Trade Receivable  | (84.16)              | 445.89                                  | (53.77)                          | (0.42)                           |
|           | Short Term Loans and Advances   | (75.54)              | 118.61                                  | (55.80)                          | 23.04                            |
|           | Other Current Assets  | 114.57               | 136.71                                  | (69.16)                          | (3.92)                           |
|           | Inventories   | (41.75)              | 525.38                                  | (164.67)                         | (25.37)                          |
|           | Trade Payables  | (78.22)              | 596.69                                  | 64.09                            | 53.24                            |
|           | Other Current Liabilities   | 86.44                | 482.82                                  | 44.00                            | (155.62)                         |
|           |   | (78.66)              | (147.08)                                | (235.31)                         | 109.05                           |
|           | <b>Net Cash Flow from Operations</b>                                    | 8.53                 | 193.52                                  | (111.79)                         | (35.15)                          |
|           | Less: Income Tax Paid   | -                    | (28.19)                                 | (19.65)                          | (14.00)                          |
|           | <b>Net Cash Flow from Operating Activities (A)</b>                      | <b>8.53</b>          | <b>165.33</b>                           | <b>(131.45)</b>                  | <b>(49.15)</b>                   |
| <b>B.</b> | <b><u>Cash Flow from Investing Activities</u></b>                       |                      |   |                                  |                                  |
|           | Purchase of Fixed Assets  | (261.28)             | 334.80                                  | (334.61)                         | (15.58)                          |
|           | Changes in Capital Works in Progress                                    | 191.28               | 175.91                                  | (76.31)                          | (103.82)                         |
|           | (Purchase) / Sale of Investments  | -                    | 61.00                                   | -                                | -                                |
|           | Movement in Loans & Advances  | (0.62)               | (17.27)                                 | (2.21)                           | (0.08)                           |
|           | Interest Income   | 0.02                 | 0.11                                    | 0.15                             | -                                |
|           |   | (70.60)              | (466.87)                                | (412.98)                         | 119.47                           |
|           | <b>Net Cash Flow from Investing Activities (B)</b>                      | <b>(70.60)</b>       | <b>(466.87)</b>                         | <b>(412.98)</b>                  | <b>119.47</b>                    |
| <b>C.</b> | <b><u>Cash Flow From Financing Activities</u></b>                       |                      |   |                                  |                                  |
|           | Proceeds / (Repayment) - Partner's Capital                              | (700.00)             | 283.28                                  | 97.41                            | 49.10                            |
|           | Proceeds From Share Capital Issue                                       | 10.00                | -                                       | -                                | -                                |
|           | Share Application Money (Pending Allotment) Received                    | 780.00               | -                                       | -                                | -                                |
|           | Proceeds / (Repayment) from Long Term Borrowing                         | (7.50)               | (37.74)                                 | 267.37                           | (104.16)                         |
|           | Proceeds / (Repayment) from Short Term Borrowing                        | 97.92                | 108.97                                  | 174.39                           | -                                |
|           | Interest Paid   | -                    | -                                       | -                                | -                                |
|           |   | 180.42               | 354.51                                  | 539.17                           | (55.06)                          |
|           | <b>Net Cash Flow from Financing Activities (C)</b>                      | <b>180.42</b>        | <b>354.51</b>                           | <b>539.17</b>                    | <b>(55.06)</b>                   |
| <b>D.</b> | <b>Net (Decrease) / Increase in Cash &amp; Cash Equivalents (A+B+C)</b> | <b>118.35</b>        | <b>52.97</b>                            | <b>(5.25)</b>                    | <b>223.68</b>                    |
| <b>E.</b> | Opening Cash & Cash Equivalents   | 59.73                | 4.92                                    | 7.71                             | 231.39                           |
| <b>F.</b> | <b>Cash and Cash Equivalents at the end of the period</b>               | <b>178.07</b>        | <b>57.89</b>                            | <b>2.45</b>                      | <b>7.71</b>                      |
| <b>G.</b> | <b>Cash and Cash Equivalents Comprises:</b>                             |                      |   |                                  |                                  |
|           | Cash in Hand  | 104.11               | 48.71                                   | 2.36                             | 1.91                             |
|           | Fixed Deposits  | 5.88                 | 5.86                                    | 2.15                             | 2.00                             |
|           | Bank Balances in Current Account  | 68.08                | 5.16                                    | 0.41                             | 3.79                             |
|           | <b>Total</b>  | <b>178.07</b>        | <b>57.89</b>                            | <b>2.45</b>                      | <b>7.71</b>                      |

As per our Report on Even date attached



**for A M R K & Co.**  
**Chartered Accountants**  
FRN : 327630E

CA Roshan Lal Khaitan  
Partner  
Membership No. : 064377  
Place: Kolkata  
Date: 15.07.2022  
UDIN: 22064377ANDBJL6442

**For and on behalf of the Board of Directors**  
**Annapurna Swadisht Limited**

Shreeram Bagla  
Managing Director  
Din - 01895499

Shakeel Ahmed  
Company Secretary

Sumit Sengupta  
Whole Time Director  
Din: 09184493

Ravi Sarda  
CFO – PAN - BJOPS9049F

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## SECTION V – GENERAL INFORMATION

Our company was originally formed as Partnership Firm in the name and style of “M/s Annapurna Agro Industries” through partnership deed dated November 27, 2015. Subsequently the constitution of partnership firm was changed through partnership deed dated May 15, 2016, dated April 1, 2018, dated April 1, 2019 and dated February 11, 2020. Further, the Partnership Firm was converted into Private Limited Company “Annapurna Swadisht Private Limited” on February 11, 2022, under Part I (Chapter XXI) of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently, our Company was converted into a public limited company pursuant to approval of the Shareholders at an Extraordinary General meeting held on June 28, 2022 and consequently, the name of our Company was changed to “Annapurna Swadisht Limited” and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company was issued by Registrar of Companies, Kolkata on July 8, 2022. The Corporate Identification Number of our Company is U15133WB2022PLC251553.

### Brief Information on Company and Issue

|   |  |     |                  |     |
|---|--|-----|------------------|-----|
| <b>Registered Office</b>                          | 90, Phears Lane, Unit No. 604, 6th floor PS- Bowbazar,<br>Kolkata - 700012, West Bengal India<br>Tel: +91-33-4603 2806<br>E-mail: <a href="mailto:cs@annapurnasnacks.in">cs@annapurnasnacks.in</a><br>Website: <a href="http://www.annapurnasnacks.in">www.annapurnasnacks.in</a>                            |     |                  |     |
| <b>Date of Incorporation</b>                      | February 11, 2022  |     |                  |     |
| <b>CIN</b>  | U15133WB2022PLC251553  |     |                  |     |
| <b>Company Category</b>                           | Company Limited by Shares  |     |                  |     |
| <b>Registrar of Company</b>                       | Registrar of Companies, West Bengal at Kolkata<br>Nizam Palace<br>II MSO Building, 3rd Floor,<br>234/4 A.J.C. Bose Road<br>Kolkata - 700 020, West Bengal, India<br>Email: <a href="mailto:roc.kolkata@mca.gov.in">roc.kolkata@mca.gov.in</a><br>Website: <a href="http://www.mca.gov.in">www.mca.gov.in</a> |     |                  |     |
| <b>Company Secretary &amp; Compliance Officer</b> | Mr. Shakeel Ahmed<br>90, Phears Lane, Unit No. 604, 6th floor PS- Bowbazar,<br>Kolkata - 700012, West Bengal India<br>Tel: +91-33-4603 2806<br>E-mail: <a href="mailto:cs@annapurnasnacks.in">cs@annapurnasnacks.in</a><br>Website: <a href="http://www.annapurnasnacks.in">www.annapurnasnacks.in</a>       |     |                  |     |
| <b>Chief Financial Officer</b>                    | Mr. Ravi Sarda<br>90, Phears Lane, Unit No. 604, 6th floor PS- Bowbazar,<br>Kolkata - 700012, West Bengal India<br>Tel: +91-33-4603 2806<br>E-mail: <a href="mailto:cfo@annapurnasnacks.in">cfo@annapurnasnacks.in</a><br>Website: <a href="http://www.annapurnasnacks.in">www.annapurnasnacks.in</a>        |     |                  |     |
| <b>Designated Stock Exchange</b>                  | National Stock Exchange of India Limited<br>Exchange Plaza, C-1, Block G,<br>Bandra Kurla Complex,<br>Bandra (E), Mumbai – 400 051<br>Website : <a href="http://www.nseindia.com">www.nseindia.com</a>   |     |                  |     |
| <b>Issue Programme</b>                            | Issue Opens On:  | [●] | Issue Closes On: | [●] |

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

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

### BOOK RUNNING LEAD MANAGER TO THE ISSUE



#### CORPORATE CAPITALVENTURES PRIVATE LIMITED

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

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

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

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

SEBI Registration: INM000012276

Validity: Permanent

Contact Person: Mr. Kulbhushan Parashar

### REGISTRAR TO THE ISSUE



#### SKYLINE FINANCIAL SERVICES PVT. LTD.

SEBI Registration No.: INR000003241

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

Tel No: +91- 11-40450193-97; Fax No: +91-11-26812683

Email: [compliances@skylinerta.com](mailto:compliances@skylinerta.com); Website: [www.skylinerta.com](http://www.skylinerta.com);

Contact Person: Ms. Rati

### BANKER TO THE ISSUE & SPONSOR BANK

[•]

### LEGAL ADVISORS

#### M/s. BD Associates

Temple Chambers, Top Floor

6, Old Post Office Street

Kolkata – 700001

Telephone: + 91 33 22628120

Email: [bdassociatesadvocates@gmail.com](mailto:bdassociatesadvocates@gmail.com)

Contact Person: Anirudhya Dutta

Registration No.: F/747/2016



|   |
|---|
| <b>MARKET MAKER</b>   |
| [•]   |
| <b>STATUTORY AUDITORS OF THE COMPANY</b>  |
| <b>M/s. A MR K &amp; CO.</b><br><b>Chartered Accountants</b><br><b>Firm Registration No.:</b> 327630E;<br><b>Address:</b> 54/10, D. C. Dey Road, Tangra, Kolkata - 700015 (W.B.)<br><b>Tel. No:</b> +91-9674003032 / 9836443677; <b>Fax No.:</b> N.A.<br><b>Email:</b> <a href="mailto:ca.amrkco@gmail.com">ca.amrkco@gmail.com</a> ;<br><b>Contact Person:</b> Mr. Megha Malpani |
| <b>ADVISOR TO THE COMPANY</b>   |
| <b>MEGASEC CAPITAL ADVISORS PRIVATE LIMITED</b><br><b>Address:</b> Unit F & G, 4th Floor, White Tower 115,<br>College Street Kolkata - 700012<br><b>Mobile. No.:</b> +91-9830033563<br><b>Fax No. :</b> N.A.<br><b>Email Id:</b> <a href="mailto:niraj@megasec.in">niraj@megasec.in</a><br><b>Contact Person:</b> Mr. Niraj Choudhary   |

#### DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

| Sr. No. | Name               | DIN      | Category      | Designation          |
|---------|--------------------|----------|---------------|----------------------|
| 1.      | Mr. Shreeram Bagla | 01895499 | Executive     | Managing Director    |
| 2.      | Mr. Sumit Sengupta | 09184493 | Executive     | Whole-time Director  |
| 3.      | Mr. Rajesh Shaw    | 09647878 | Executive     | Whole-time Director  |
| 4.      | Mr. Chandan Ghosh  | 09638482 | Non-Executive | Independent Director |
| 5.      | Mr. Sandip Maiti   | 00241444 | Non-Executive | Independent Director |
| 6.      | Mrs. Hitu Mahajan  | 07043618 | Non-Executive | Independent Director |

For further details of our Directors, please refer chapter titled “Our Management” beginning on page 118 of this Draft Red Herring Prospectus.

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, i.e., Skyline Financial Services Private Limited and/or the Book Running Lead Manager, i.e., Corporate Capital Ventures Private Limited, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.

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

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

#### SELF-CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link. <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

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

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

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

### **REGISTERED BROKERS**

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

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

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

### **COLLECTING DEPOSITORY PARTICIPANTS**

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

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

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

### **CREDIT RATING**

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

### **IPO GRADING**

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

### **EXPERT OPINION**

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

Our Company has received written consent dated June 15, 2022 from Peer Review Auditor namely, M/s. A M R K & CO., Chartered Accountants, to include 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 June 9, 2022 on our restated Standalone financial information; and (ii) its report dated July 9, 2022 on the statement of Special Tax Benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus..

Aforementioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

## DEBENTURE TRUSTEE

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

## APPRAISAL AND MONITORING AGENCY

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹. 10,000 Lakh. Since the Issue size is below ₹. 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

## UNDERWRITING AGREEMENT

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

| Name, Address, Telephone, Fax, and Email of the Underwriter   | Indicative No. of Equity Shares to be Underwritten | Amount Underwritten (₹ in Lakh) | % of the Total Issue Size Underwritten |
|---|--|---------------------------------|--|
| <b>Corporate Capital Ventures Private Limited</b><br><b>Address:</b> B-1/E-13, Mohan Cooperative Industrial, Estate Mathura Road, New Delhi 110044<br><b>Tel:</b> +91 11 - 41824066; <b>Fax:</b> +91 11 - 41824066<br><b>Email:</b> smeipo@ccvindia.com<br><b>Website:</b> <a href="http://www.ccvindia.com">www.ccvindia.com</a><br><b>SEBI Registration:</b> INM000012276<br><b>Validity:</b> Permanent<br><b>Contact Person:</b> Mr. Kulbhushan Parashar | 43,22,000  | [●]                             | [●]                                    |

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

## FILING OF OFFER DOCUMENT

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

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

## CHANGE IN THE AUDITOR DURING LAST 3 YEAR

There are no changes in the Auditor during last three years as on date of this Draft Red Herring Prospectus.

## WITHDRAWAL OF THE ISSUE

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

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the Book Running Lead Manager have entered into a tripartite agreement dated [●] with [●] the MarketMaker for this Issue, duly registered with NSE EMERGE to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE EMERGE and SEBI from time to time.
3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
7. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

9. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Makers, in case he is not able to provide the desired liquidity in a particular

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

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

11. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250crores, the applicable price bands for the first day shall be:

(i) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

(ii) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

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

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

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

12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27,2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

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

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

***The trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.***

## SECTION VI – CAPITAL STRUCTURE

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

| #         | Particulars   | Amount (₹ in Lakhs)     |                                |
|-----------|---|-------------------------|--------------------------------|
|           |   | Aggregate nominal value | Aggregate value at Offer Price |
| <b>A.</b> | <b>Authorised Share Capital</b>   |                         |                                |
|           | 1,80,00,000 Equity Shares of ₹.10/- each  | 1800.00                 | -                              |
| <b>B.</b> | <b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>  |                         |                                |
|           | 1,21,00,000 Equity Shares of ₹.10/- each  | 1,210.00                | -                              |
| <b>C.</b> | <b>Present Issue in terms of the Draft Red Herring Prospectus</b>   |                         |                                |
|           | Offer of 43,22,000 Equity Shares of Face Value ₹10/- each at a Price of ₹ [•] per Equity Share  | [•]                     | [•]                            |
|           | <b>Consisting of:</b>   |                         |                                |
|           | <b>Reservation for Market Maker</b> - 2,16,000 Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share reserved as MarketMaker Portion. | [•]                     | [•]                            |
|           | <b>Net Issue to the Public</b> – 41,06,000 Equity Shares of ₹ .10/- each at a price of ₹ [•] per Equity Share.                                    | [•]                     | [•]                            |
|           | <b>Of the Net Issue to the Public</b>   |                         |                                |
|           | <b>1. QIB Portion</b>   | [•]                     | [•]                            |
|           | Of which:   |                         |                                |
|           | (a) Anchor Investor Portion   | [•]                     | [•]                            |
|           | (b) Net QIB Portion (assuming the AnchorInvestor Portion is fully subscribed)   | [•]                     | [•]                            |
|           | Of which:   |                         |                                |
|           | (i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion)                                      | [•]                     | [•]                            |
|           | (ii) Balance of QIB Portion for all QIBsincluding Mutual Funds  | [•]                     | [•]                            |
|           | <b>2. Non-Institutional Category</b>  | [•]                     | [•]                            |
|           | <b>3. Retail Portion</b>  | [•]                     | [•]                            |
| <b>D.</b> | <b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>   |                         |                                |
|           | 1,64,22,000 Equity Shares of ₹.10/- each  | 1642.00                 |                                |
| <b>E.</b> | <b>Securities Premium Account</b>   |                         |                                |
|           | Before the Issue  | 1,069.43                |                                |
|           | After the Issue   |                         | [•]                            |

*The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on dated June 28, 2022, by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the EGM of our shareholders held on July 9, 2022.*

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

## NOTES TO THE CAPITAL STRUCTURE

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

Since incorporation, the authorised share capital of our Company has been altered in the manner set forth below:

| S.N. | Date             | No. of Shares | Face Value (in ₹.) | Cumulative No. of Shares | Cumulative Authorised Share Capital (in ₹.) | Whether AGM/EGM |
|------|------------------|---------------|--------------------|--------------------------|---|-----------------|
| 1.   | On incorporation | 1,00,000      | 10                 | 1,00,000                 | 1,00,00,000                                 | EGM             |
| 2.   | 14/03/2022       | 1,40,00,000   | 10                 | 1,50,00,000              | 15,00,00,000                                | EGM             |
| 3.   | 28/06/2022       | 10,00,000     | 10                 | 1,60,00,000              | 16,00,00,000                                | EGM             |
| 4.   | 09/07/2022       | 20,00,000     | 10                 | 1,80,00,000              | 18,00,00,000                                | EGM             |

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

| Note | Date of Allotment | No. of Equity Shares allotted | Face value (₹) | Issue Price (₹) | Nature of consideration | Nature of Allotment  | Cumulative number of Equity Shares | Cumulative Paid-up Capital (₹) | Cumulative Securities premium (₹) |
|------|-------------------|-------------------------------|----------------|-----------------|-------------------------|--|------------------------------------|--------------------------------|-----------------------------------|
| 1.   | On Incorporation  | 1,00,000                      | 10             | 10              | Cash                    | Subscription to MOA  | 1,00,000                           | 10,00,000                      | Nil                               |
| 2.   | 04-04-2022        | 69,00,000                     | 10             | 10              | Other than Cash         | Allotment to the partners of the firm upon conversion of firm into company | 70,00,000                          | 7,00,00,000                    | Nil                               |
| 3.   | 19-04-2022        | 10,00,000                     | 10             | 10              | Cash                    | Allotment  | 80,00,000                          | 8,00,00,000                    | Nil                               |
| 4.   | 26-04-2022        | 10,44,500                     | 10             | 10              | Cash                    | Allotment  | 90,44,500                          | 9,04,45,000                    | Nil                               |
| 5.   | 14-05-2022        | 8,55,000                      | 10             | 45              | Cash                    | Allotment  | 98,99,500                          | 9,89,95,000                    | 2,99,25,000                       |
| 6.   | 23-05-2022        | 7,37,500                      | 10             | 45              | Cash                    | Allotment  | 1,06,37,000                        | 10,63,70,000                   | 5,57,37,500                       |
| 7.   | 14-06-2022        | 7,75,000                      | 10             | 45              | Cash                    | Allotment  | 1,14,12,000                        | 11,41,20,000                   | 8,28,62,500                       |
| 8.   | 28-06-2022        | 1,25,000                      | 10             | 45              | Cash                    | Allotment  | 1,15,37,000                        | 11,53,70,000                   | 8,72,37,500                       |
| 9.   | 12-07-2022        | 5,63,000                      | 10             | 45              | Cash                    | Allotment  | 1,21,00,000                        | 12,10,00,000                   | 10,69,42,500                      |

#### Note:

- Initial Subscribers to Memorandum of Association hold 1,00,000 Equity Shares each of face value of ₹10/- fully paid up as per the details given below:

| S.N. | Name of Person      | No. of Shares Allotted |
|------|---------------------|------------------------|
| 1.   | Ritesh Shaw         | 90,000                 |
| 2.   | Nirmal Kumar Bhakat | 10,000                 |
|      | <b>Total</b>        | <b>1,00,000</b>        |

2. The Company thereafter allotted 69,00,000 Equity shares on 04-04-2022, the details of which is given below:

| S.N. | Name                | No. of Shares Issued |
|------|---------------------|----------------------|
| 1.   | Ritesh Shaw         | 68,40,000            |
| 2.   | Nirmal Kumar Bhakat | 60,000               |
|      | <b>Total</b>        | <b>69,00,000</b>     |

3. The Company thereafter allotted 10,00,000 Equity shares on 19-04-2022, the details of which is given below:

| S.N. | Name           | No. of Shares Issued |
|------|----------------|----------------------|
| 1.   | Shreeram Bagla | 10,00,000            |
|      | <b>Total</b>   | <b>10,00,000</b>     |

4. The Company thereafter allotted 10,44,500 Equity shares on 26-04-2022, the details of which is given below:

| S.N. | Name                  | No. of Shares Issued |
|------|-----------------------|----------------------|
| 1.   | Ritesh Shaw           | 4,50,000             |
| 2.   | Pawan Jaiswal         | 1,50,000             |
| 3.   | Moumita Singhania     | 2,00,000             |
| 4.   | Rahul Sureka          | 57,000               |
| 5.   | Ravi Sarda            | 57,000               |
| 6.   | Sweta Sureka          | 29,000               |
| 7.   | Preeti Sarda          | 29,000               |
| 8.   | Mahendra Jhunjhunwala | 17,000               |
| 9.   | Saurav Himatsingka    | 15,000               |
| 10.  | Akriti Agarwal        | 13,000               |
| 11.  | Anisha Agarwal        | 27,500               |
|      | <b>Total</b>          | <b>10,44,500</b>     |

5. The Company thereafter allotted 8,55,000 Equity shares on 14-05-2022, the details of which is given below:

| S.N. | Name                | No. of Shares Issued |
|------|---------------------|----------------------|
| 1.   | Rahul Sureka        | 43,000               |
| 2.   | Ravi Sarda          | 43,000               |
| 3.   | Suresh Kanodia      | 1,00,000             |
| 4.   | Kavita Kanodia      | 1,00,000             |
| 5.   | Neha Goenka         | 1,00,000             |
| 6.   | Pooja Goenka        | 1,00,000             |
| 7.   | Sweta Sureka        | 22,000               |
| 8.   | Preeti Sarda        | 22,000               |
| 9.   | Pradip Kumar Sureka | 25,000               |
| 10.  | J. Sharma           | 3,00,000             |
|      | <b>Total</b>        | <b>8,55,000</b>      |

6. The Company thereafter allotted 7,37,500 Equity shares on 23-05-2022, the details of which is given below:

| S.N. | Name                        | No. of Shares Issued |
|------|-----------------------------|----------------------|
| 1.   | Saurav Himatsingka          | 20,000               |
| 2.   | Mahendra Kumar Jhunjhunwala | 1,33,000             |



| S.N. | Name                                      | No. of Shares Issued |
|------|---|----------------------|
| 3.   | Akriti Agarwal                            | 17,000               |
| 4.   | Anisha Agarwal                            | 37,500               |
| 5.   | Narendra Himatsingka                      | 50,000               |
| 6.   | Saurav Himatsingka HUF                    | 50,000               |
| 7.   | Ramesh Kanodia                            | 10,000               |
| 8.   | Nitesh Nathani                            | 20,000               |
| 9.   | Jayshree Jhunjhunwala                     | 10,000               |
| 10.  | Seema Gupta                               | 20,000               |
| 11.  | Prathameswar Consulting Private Limited   | 20,000               |
| 12.  | Shagun Gupta                              | 30,000               |
| 13.  | Logic Square Technologies Private Limited | 20,000               |
| 14.  | M. Kumar                                  | 1,00,000             |
| 15.  | Ritu Gupta                                | 50,000               |
| 16.  | D. Gupta                                  | 50,000               |
| 17.  | Dolly Agarwal                             | 1,00,000             |
|      | <b>Total</b>                              | <b>7,37,500</b>      |

7. The Company thereafter allotted 7,75,000 Equity shares on 14-06-2022, the details of which is given below:

| S.N. | Name                             | No. of Shares Issued |
|------|----------------------------------|----------------------|
| 1.   | NAV Capital Emerging Star Fund   | 2,00,000             |
| 2.   | Amit Bhartia                     | 1,25,000             |
| 3.   | Rakesh khanna Anita Khanna       | 1,00,000             |
| 4.   | C Garg                           | 1,00,000             |
| 5.   | Rohan Vinay Pai HUF              | 50,000               |
| 6.   | Rahul Gupta                      | 50,000               |
| 7.   | Annapurna Sridhar                | 50,000               |
| 8.   | J. Sharma                        | 50,000               |
| 9.   | AXE Fortune Capital Advisors LLP | 20,000               |
| 10.  | Rajesh Chandrakant Vaishnav      | 20,000               |
| 11.  | Kannan Krishnamurti Naidu        | 10,000               |
|      | <b>Total</b>                     | <b>7,75,000</b>      |

8. The Company thereafter allotted 1,25,000 Equity shares on 28-06-2022, the details of which is given below:

| S.N. | Name           | No. of Shares Issued |
|------|----------------|----------------------|
| 1.   | Shankar Sharma | 1,25,000             |
|      | <b>Total</b>   | <b>1,25,000</b>      |

9. The Company thereafter allotted 5,63,000 Equity shares on 12-07-2022, the details of which is given below:

| S.N. | Name                                | No. of Shares Issued |
|------|-------------------------------------|----------------------|
| 1.   | Rajasthan Global Securities Limited | 3,00,000             |
| 2.   | K&I Wealth Advisors LLP             | 2,00,000             |
| 3.   | Jagdish Prasad Sharma               | 63,000               |
|      | <b>Total</b>                        | <b>5,63,000</b>      |

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

As on the date of this Draft Red Herring Prospectus, our Promoters – Mr. Ritesh Shaw and Mr. Shreeram Bagla and holds total 84,50,000 Equity Shares representing 69.83% of the pre-issue paid up share capital of our Company.

#### *Details of build-up of shareholding of the Promoters*

| Date of Allotment / acquisition / transaction and when made fully paid up | Nature (Allotment/ transfer) | Number of Equity Shares | Face Value per Equity Share (in ₹) | Issue/ Transfer price per Equity Share (in ₹) | Consideration (cash/ other than cash) | Name of Transferor / Transferee | % of pre issue capital |
|---|------------------------------|-------------------------|------------------------------------|---|---------------------------------------|---------------------------------|------------------------|
| <b>Mr. Ritesh Shaw</b>  |                              |                         |                                    |   |                                       |                                 |                        |
| 11-02-2022  | Allotment                    | 90,000                  | 10/-                               | 10/-  | Other than cash                       | -                               | 0.74%                  |
| 04-04-2022  | Allotment                    | 68,40,000               | 10/-                               | 10/-  | Other than cash                       | -                               | 56.53%                 |
| 26-04-2022  | Allotment                    | 4,50,000                | 10/-                               | 10/-  | Cash                                  | -                               | 3.72%                  |
| 28-06-2022  | Gift from Mother             | 70,000                  | 10/-                               | -   | Gift                                  | Mina Shaw                       | 0.58%                  |
| <b>Total</b>  |                              | <b>74,50,000</b>        |                                    |   |                                       |                                 |                        |
| <b>Mr. Shreeram Bagla</b>   |                              |                         |                                    |   |                                       |                                 |                        |
| 19-04-2022  | Allotment                    | 10,00,000               | 10/-                               | 10/-  | Cash                                  | NA                              | 8.26%                  |
| <b>Total</b>  |                              | <b>10,00,000</b>        |                                    |   |                                       |                                 |                        |

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by Mr. Ritesh Shaw and Mr. Shreeram Bagla, are under pledged.

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#### 4. Our shareholding pattern

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

| Category Code | Category of shareholder        | No. of share holder | No. of fully paid up equity shares held | No. of Partly paid up equity share held | No. of shares underlying Depository Receipts | Total nos. shares held | Share holding as a % of total no. of shares (calculated as per SCR R, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities* |         |                 |                         | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares |                                  | Number of Shares pledged or otherwise encumbered |                                  | Number of shares held in dematerialized form <sup>0</sup> |
|---------------|--------------------------------|---------------------|---|---|--|------------------------|--|---|---------|-----------------|-------------------------|--|--|----------------------------|----------------------------------|--|----------------------------------|---|
|               |                                |                     |   |   |  |                        |  | No. of Voting Rights                                      |         |                 | Total as a % of (A+B+C) |  |  | No. (a)                    | As a % of total share s held (B) | No. (a)  | As a % of total share s held (B) |   |
|               |                                |                     |   |   |  |                        |  | Class X   | Class Y | Total           |                         |  |  |                            |                                  |  |                                  |   |
| I             | II                             | III                 | IV                                      | V                                       | VI   | VII= IV+V+VI           | VIII   | IX  |         |                 |                         | X  | XI=VII+X   | XII                        |                                  | XIII   |                                  | XIV   |
| (A)           | Promoters and Promoter Group   | 3                   | 8515000                                 | -                                       | -  | 8515000                | 70.37%   | 8515000   | -       | 8515000         | 70.37%                  | -  | 70.37%   | -                          | -                                | -  | -                                | 8515000   |
| (B)           | Public                         | 45                  | 3585000                                 | -                                       | -  | 3585000                | 29.63%   | 3022000   | -       | 3585000         | 29.63%                  | -  | 29.63%   | -                          | -                                | -  | -                                | 3585000   |
| (C)           | Non Promoter-Non Public        | -                   | -                                       | -                                       | -  | -                      | -  | -   | -       | -               | -                       | -  | -  | -                          | -                                | -  | -                                | -   |
| (1)           | Shares underlying DRs          | -                   | -                                       | -                                       | -  | -                      | -  | -   | -       | -               | -                       | -  | -  | -                          | -                                | -  | -                                | -   |
| (2)           | Shares held by Employee Trusts | -                   | -                                       | -                                       | -  | -                      | -  | -   | -       | -               | -                       | -  | -  | -                          | -                                | -  | -                                | -   |
|               | <b>Total</b>                   | <b>48</b>           | <b>12100000</b>                         | -                                       | -  | <b>12100000</b>        | <b>100.00</b>  | <b>12100000</b>   | -       | <b>12100000</b> | <b>100.00</b>           | -  | -  | -                          | -                                | -  | -                                | <b>12100000</b>   |



*Note:*

- As on the date of this Draft Red Herring Prospectus 1 Equity Shares holds 1 vote.*
- In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Accordingly, all the existing equity shares of the Company will be in dematerialized form at the time of listing of shares.*
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE EMERGE before commencement of trading of such Equity Shares.*
- The term “Encumbrance” has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.*
- There are no Equity Shares against which depository receipts have been issued.*
- Other than the Equity Shares, there is no other class of securities issued by our Company*

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

| S. N.                      | Name of share holder                | Pre issue            |                          | Post issue           |                          |
|----------------------------|-------------------------------------|----------------------|--------------------------|----------------------|--------------------------|
|                            |                                     | No. of equity Shares | As a % of Issued Capital | No. of equity shares | As a % of Issued Capital |
| <b>Promoters</b>           |                                     |                      |                          |                      |                          |
| 1                          | Shreeram Bagla                      | 1000000              | 8.26%                    | 1000000              | 6.09%                    |
| 2                          | Ritesh Shaw                         | 7450000              | 61.57%                   | 7450000              | 45.37%                   |
| <b>Total – A</b>           |                                     | <b>8450000</b>       | <b>69.83%</b>            | <b>8450000</b>       | <b>51.46%</b>            |
| <b>Promoter Group</b>      |                                     |                      |                          |                      |                          |
| 3                          | Anisha Agarwal                      | 65000                | 0.54%                    | 65000                | 0.40%                    |
| <b>Total – B</b>           |                                     | <b>65000</b>         | <b>0.54%</b>             | <b>65000</b>         | <b>0.40%</b>             |
| <b>Total – A+ B</b>        |                                     | <b>8515000</b>       | <b>70.37%</b>            | <b>8515000</b>       | <b>51.85%</b>            |
| <b>Public</b>              |                                     |                      |                          |                      |                          |
| 4                          | Rajasthan Global Securities Limited | 300000               | 2.48%                    | 300000               | 1.84%                    |
| 5                          | NAV Capital Emerging Star Fund      | 200000               | 1.65%                    | 200000               | 1.23%                    |
| 6                          | K&I Wealth Advisors LLP             | 200000               | 1.65%                    | 200000               | 1.23%                    |
| 7                          | Shankar Sharma                      | 125000               | 1.03%                    | 125000               | 0.77%                    |
| 8                          | Amit Bhartia                        | 125000               | 1.03%                    | 125000               | 0.77%                    |
| 9                          | Seema Sawtal                        | 300000               | 2.48%                    | 300000               | 1.84%                    |
| 10                         | Moumita Singhania                   | 200000               | 1.65%                    | 200000               | 1.23%                    |
| 11                         | Pawan Jaiswal                       | 150000               | 1.24%                    | 150000               | 0.92%                    |
| 12                         | Mahendra Kumar Jhunjhunwala         | 150000               | 1.24%                    | 150000               | 0.92%                    |
|                            | Others                              | 1835000              | 15.17%                   | 1835000              | 11.17%                   |
|                            | IPO                                 | -                    | -                        | 4322000              | 26.32%                   |
| <b>Total-C</b>             |                                     | <b>3585000</b>       | <b>29.63%</b>            | <b>7907000</b>       | <b>48.15%</b>            |
| <b>Grand Total (A+B+C)</b> |                                     | <b>12100000</b>      | <b>100.00%</b>           | <b>16422000</b>      | <b>100.00%</b>           |

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

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in ₹.) |
|----------------------|--------------------|-------------------------------------|
| Shreeram Bagla       | 10,00,000          | 10.00                               |
| Ritesh Shaw          | 74,50,000*         | 9.91                                |

\*70,000 shares acquired by way of Gift from Mother.

#### 8. Details of Major Shareholders:

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

| Sr. No. | Name of shareholders                | No. of Equity Shares held | % of Paid up Capital |
|---------|-------------------------------------|---------------------------|----------------------|
| 2       | Rajasthan Global Securities Limited | 300000                    | 2.48%                |
| 1       | NAV Capital Emerging Star Fund      | 200000                    | 1.65%                |
| 3       | K&I Wealth Advisors LLP             | 200000                    | 1.65%                |
| 4       | Shankar Sharma                      | 125000                    | 1.03%                |
| 5       | Amit Bhartia                        | 125000                    | 1.03%                |
| 6       | Pawan Jaiswal                       | 150000                    | 1.24%                |
| 7       | Seema Sawtal                        | 300000                    | 2.48%                |
| 8       | Moumita Singhania                   | 200000                    | 1.65%                |

| Sr. No. | Name of shareholders       | No. of Equity Shares held | % of Paid up Capital |
|---------|----------------------------|---------------------------|----------------------|
| 9       | Mahendra Kumar Jhunjunwala | 150000                    | 1.24%                |
|         | <b>Total</b>               | <b>1750000</b>            | <b>14.46%</b>        |

(B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date tendays prior to the date of the Draft Red Herring Prospectus:

| Sr. No. | Name of shareholders                | No. of Equity Shares held | % of Paid up Capital |
|---------|-------------------------------------|---------------------------|----------------------|
| 2       | Rajasthan Global Securities Limited | 300000                    | 2.48%                |
| 1       | NAV Capital Emerging Star Fund      | 200000                    | 1.65%                |
| 3       | K&I Wealth Advisors LLP             | 200000                    | 1.65%                |
| 4       | Shankar Sharma                      | 125000                    | 1.03%                |
| 5       | Amit Bhartia                        | 125000                    | 1.03%                |
| 6       | Pawan Jaiswal                       | 150000                    | 1.24%                |
| 7       | Seema Sawtal                        | 300000                    | 2.48%                |
| 8       | Moumita Singhania                   | 200000                    | 1.65%                |
| 9       | Mahendra Kumar Jhunjunwala          | 150000                    | 1.24%                |
|         | <b>Total</b>                        | <b>1750000</b>            | <b>14.46%</b>        |

(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of this Draft Red Herring Prospectus:

The Company is incorporated upon conversion of the partnership firm namely Annapurna Agro Industries, under part 1 of Chapter XXI of the Companies Act, 2013, vide certificate of incorporate upon dated February 11, 2022, issued by the Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs, as a going concern. Thus, the list of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of this Draft Red Herring Prospectus is not applicable.

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

The Company is incorporated upon conversion of the partnership firm namely Annapurna Agro Industries, under part 1 of Chapter XXI of the Companies Act, 2013, vide certificate of incorporate upon dated February 11, 2022, issued by the Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs, as a going concern. Thus, the list of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of this Draft Red Herring Prospectus is not applicable.

9. The Company has not issued any convertible instruments like warrants, debentures etc. since its incorporation and there are no outstanding convertible instruments as on date of this Draft Red Herring Prospectus.

10. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.

11. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Draft Red Herring Prospectus at a price lower than the Issue Price, except as following:

**Issue upon conversion of firm: 70,00,000 equity shares of ₹ 10 each**

| Sr. No. | Name of allottees   | No. of Shares Allotted | Face Value (₹) | Issue Price (₹) | Date of Allotment | Reason for Allotment                          |
|---------|---------------------|------------------------|----------------|-----------------|-------------------|---|
| 1.      | Ritesh Shaw         | 90,000                 | 10.00          | 10.00           | 11-02-2022        | Subscription shares / Upon conversion of firm |
| 2.      | Nirmal Kumar Bhakat | 10,000                 | 10.00          | 10.00           | 11-02-2022        | Subscription shares / Upon conversion of firm |
| 3.      | Ritesh Shaw         | 68,40,000              | 10.00          | 10.00           | 04-04-2022        | Upon conversion of                            |

|    |                     |        |       |       |            |                         |
|----|---------------------|--------|-------|-------|------------|-------------------------|
|    |                     |        |       |       |            | firm                    |
| 4. | Nirmal Kumar Bhakat | 60,000 | 10.00 | 10.00 | 04-04-2022 | Upon conversion of firm |

**Right Issue: 20,44,500 equity shares of ₹ 10/- each**

| Sr. No. | Name of allottees           | No. of Shares Allotted | Face Value (₹) | Issue Price (₹) | Date of Allotment | Reason for Allotment |
|---------|-----------------------------|------------------------|----------------|-----------------|-------------------|----------------------|
| 1.      | Shreeram Bagla              | 10,00,000              | 10.00          | 10.00           | 19-04-2022        | Right Issue          |
| 2.      | Ritesh Shaw                 | 4,50,000               | 10.00          | 10.00           | 26-04-2022        | Right Issue          |
| 3.      | Pawan Jaiswal               | 1,50,000               | 10.00          | 10.00           | 26-04-2022        | Right Issue          |
| 4.      | Moumita Singhania           | 2,00,000               | 10.00          | 10.00           | 26-04-2022        | Right Issue          |
| 5.      | Rahul Sureka                | 57,000                 | 10.00          | 10.00           | 26-04-2022        | Right Issue          |
| 6.      | Ravi Sarda                  | 57,000                 | 10.00          | 10.00           | 26-04-2022        | Right Issue          |
| 7.      | Sweta Sureka                | 29,000                 | 10.00          | 10.00           | 26-04-2022        | Right Issue          |
| 8.      | Preeti Sarda                | 29,000                 | 10.00          | 10.00           | 26-04-2022        | Right Issue          |
| 9.      | Mahendra Kumar Jhunjhunwala | 17,000                 | 10.00          | 10.00           | 26-04-2022        | Right Issue          |
| 10.     | Saurav Himatsingka          | 15,000                 | 10.00          | 10.00           | 26-04-2022        | Right Issue          |
| 11.     | Akriti Agarwal              | 13,000                 | 10.00          | 10.00           | 26-04-2022        | Right Issue          |
| 12.     | Anisha Agarwal              | 27,500                 | 10.00          | 10.00           | 26-04-2022        | Right Issue          |

**Preferential Issue: 24,92,500 equity shares of ₹ 10/- each**

| S No. | Name of allottees               | No. of Shares Allotted | Face Value (₹) | Issue Price (₹) | Date of Allotment | Reason for Allotment |
|-------|---------------------------------|------------------------|----------------|-----------------|-------------------|----------------------|
| 1.    | Rahul Sureka                    | 43,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 2.    | Ravi Sarda                      | 43,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 3.    | Suresh Kanodia                  | 1,00,000               | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 4.    | Kavita Kanodia                  | 1,00,000               | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 5.    | Neha Goenka                     | 1,00,000               | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 6.    | Pooja Goenka                    | 1,00,000               | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 7.    | Sweta Sureka                    | 22,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 8.    | Preeti Sarda                    | 22,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 9.    | Pradip Kumar Sureka             | 25,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 10.   | J Sharma                        | 3,00,000               | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 11.   | Saurav Himatsingka              | 20,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 12.   | Mahendra Kumar Jhunjhunwala     | 1,33,000               | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 13.   | Akriti Agarwal                  | 17,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 14.   | Anisha Agarwal                  | 37,500                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 15.   | Narendra Himatsingka            | 50,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 16.   | Saurav Himatsingka HUF          | 50,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 17.   | Ramesh Kanodia                  | 10,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 18.   | Nitesh Nathani                  | 20,000                 | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 19.   | Jayshree Jhunjhunwala           | 10,000                 | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 20.   | Seema Gupta                     | 20,000                 | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 21.   | Prathameswar Consulting Pvt Ltd | 20,000                 | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 22.   | Shagun Gupta                    | 30,000                 | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 23.   | Logic Square Technologies       | 20,000                 | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 24.   | M Kumar                         | 1,00,000               | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 25.   | Ritu Gupta                      | 50,000                 | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 26.   | D. Gupta                        | 50,000                 | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 27.   | Dolly Agarwal                   | 1,00,000               | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 28.   | NAV Capital Emerging Star Fund  | 2,00,000               | 10.00          | 10.00           | 14-06-2022        | Preferential Issue   |
| 29.   | Amit Bhartia                    | 1,25,000               | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |

| S No. | Name of allottees                   | No. of Shares Allotted | Face Value (₹) | Issue Price (₹) | Date of Allotment | Reason for Allotment |
|-------|-------------------------------------|------------------------|----------------|-----------------|-------------------|----------------------|
| 30.   | Rakesh khanna Anita Khanna          | 1,00,000               | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 31.   | C GARG                              | 1,00,000               | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 32.   | Rohan Vinay Pai HUF                 | 50,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 33.   | Rahul Gupta                         | 50,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 34.   | Annapurna Sridhar                   | 50,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 35.   | J Sharma                            | 50,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 36.   | AXE Fortune Capital Advisors LLP    | 20,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 37.   | Rajesh Chandrakant Vaishnav         | 20,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 38.   | Kannan Krishnamurti Naidu           | 10,000                 | 10.00          | 10.00           | 23-05-2022        | Preferential Issue   |
| 39.   | Shankar Sharma                      | 1,25,000               | 10.00          | 10.00           | 28-06-2022        | Preferential Issue   |
| 40.   | Rajasthan Global Securities Limited | 3,00,000               | 10.00          | 10.00           | 12-07-2022        | Preferential Issue   |
| 41.   | K&I Wealth Advisors LLP             | 2,00,000               | 10.00          | 10.00           | 12-07-2022        | Preferential Issue   |
| 42.   | Jagdish Prasad Sharma               | 63,000                 | 10.00          | 10.00           | 12-07-2022        | Preferential Issue   |

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
13. We have 48 (Forty-Eight) shareholders as on the date of filing of this Draft Red Herring Prospectus.
14. As on the date of this Draft Red Herring Prospectus, our Promoters and Promoters Group hold total 85,15,000 Equity Shares representing 70.37% of the pre-issue paid up share capital of our Company.
15. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Draft Red Herring Prospectus except following transfer of shares by way of Gift:

| Sr. No. | Transfer date | From        | To          | No of Shares | FV of Equity Share |
|---------|---------------|-------------|-------------|--------------|--------------------|
| 1       | 11-02-2022    | Ritesh Shaw | -           | 90,000       | ₹10/-              |
| 2       | 26-04-2022    | Ritesh Shaw | -           | 4,50,000     | ₹10/-              |
| 3       | 04-04-2022    | Ritesh Shaw | -           | 68,40,000    | ₹10/-              |
| 4       | 28-06-2022    | Mina Shaw   | Ritesh Shaw | 70,000       | NIL (Gift)         |

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

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

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post-Issue Capital shall be considered as Promoter's Contribution.

Our Promoters have given consent to include 31,64,000 of Equity Shares held by them as may constitute 20.11% of the post-issue Equity Share Capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus until the completion of the lock-in period specified above.



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

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

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

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

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

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

| Name of Promoter | Date of Transaction and when made fully paid-up | Nature of Transaction                          | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Percentage of post-Offer paid-up capital (%) | Lock in Period |
|------------------|---|--|----------------------|----------------|---|--|----------------|
| Ritesh Shaw      | 11-02-2022                                      | Allotment upon conversion of firm into company | 90,000               | 10/-           | 10/-  | 0.55%  | 3 years        |
|                  | 04-04-2022                                      |  | 32,11,000            | 10/-           | 10/-  | 19.55%                                       | 3 years        |

*\* Shares allotted to the promoter against the capital existing in the firms for a period of more than one year on a continuous basis.*

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

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

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

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

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

In addition to above Equity Shares that are locked-in for three years as the minimum Promoters' contribution, the promoters and public shareholding pre-issue Equity Share capital of our Company, *i.e.* 83,73,000 Equity Shares shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories. Some of the promoters' shareholding, other than minimum promoters' contribution is under pledge.

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

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

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

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

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

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

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

18. Our Company, our Promoters, our Directors and the Book Running Lead Manager to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.

19. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, at any point of time since Incorporation except the following:

| #            | Name of Allottees   | No. of Shares Allotted | Face Value (₹) | Issue Price (₹) | Date of Allotment | Reason for Allotment                        | Benefit occurred to Issuer                          |
|--------------|---------------------|------------------------|----------------|-----------------|-------------------|---|---|
| 1.           | Ritesh Shaw         | 90,000                 | 10/-           | 10/-            | 11-02-2022        | Conversion of partnership firm into company | Issuer is form upon conversion of firm into company |
| 2.           | Nirmal Kumar Bhakat | 10,000                 | 10/-           | 10/-            | 11-02-2022        |   |   |
| 3.           | Ritesh Shaw         | 68,40,000              | 10/-           | 10/-            | 04-04-2022        |   |   |
| 4.           | Nirmal Kumar Bhakat | 60,000                 | 10/-           | 10/-            | 04-04-2022        |   |   |
| <b>Total</b> |                     | <b>70,00,000</b>       |                |                 |                   |   |   |

20. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.

21. Our Company has not re-valued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
22. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
23. There are no safety net arrangements for this public Offer.
24. An oversubscription to the extent of 10% of the Net Offer can be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment.
25. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
26. All the Equity Shares of our Company are fully paid up as on the date of this Draft Red Herring Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
27. As per RBI regulations, OCBs are not allowed to participate in this Issue.
28. There is no -Buyback, -Standby, or similar arrangement by our Company/Promoters/Directors/Book Running Lead Manager for purchase of Equity Shares issued / offered through this Draft Red Herring Prospectus.
29. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
30. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
31. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Book Running Lead Manager and NSE.
32. The Issue is being made through Book Building Method.
33. Book Running Lead Manager to the Issue viz. Corporate Capital Ventures Private Limited and its associates do not hold any Equity Shares of our Company.
34. Our Company has not raised any bridge loan against the proceeds of this Issue.
35. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
36. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
37. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this fixed subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
38. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
39. Our Promoters and the members of our Promoter Group will not participate in this Issue.
40. Our Company has not made any public issue since its incorporation.
41. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.



42. For the details of transactions by our Company with our Promoter Group, Group Companies during the last three Fiscals i.e. 2020, 2021 and 2022 please refer to paragraph titled *-Related Party Transaction* in the chapter titled, *"Financial Information"* beginning on page number 140 of this Draft Red Herring Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *-Our Management* beginning on page 118.

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## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Fresh Issue includes a public Issue of 43,22,000 Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share. The Net Proceeds from the Issue are proposed to be utilized by our Company for the following objects:

- 1) Funding the capital expenditure requirements; and
- 2) General Corporate Expenses.

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

The main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. For the main objects clause of our Memorandum of Association, see “History and Certain Corporate Matters” on page 114.

#### Issue Proceeds and Net Proceeds

The details of the issue proceeds are summarized below:

| (₹ in Lakhs)                                    |            |
|---|------------|
| Particulars                                     | Amount     |
| Gross Proceeds of the Issue                     | [●]        |
| Less: Issue related expenses                    | [●]        |
| <b>Net Proceeds of the Issue (Net Proceeds)</b> | <b>[●]</b> |

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

| (₹ in Lakhs)                                 |            |
|--|------------|
| Particulars                                  | Amount     |
| Funding the capital expenditure requirements | 2,172.53   |
| General Corporate Expenses *                 | [●]        |
| <b>Total</b>                                 | <b>[●]</b> |

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

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

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and management estimates, quotation from suppliers, and other commercial and technical factors. We may have to revise our funding requirements and deployment on account of variety of factors such as our financial and market condition, government approval and clearance, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the shipyard and vessels and other external factors including changes in the price of the machinery and raw material due to variation in commodity prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, see “Risk Factors”.

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

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Object. In case of variations in the actual utilisation of funds earmarked for the purpose set forth or shortfall in the Net Proceeds or delay in raising funds through the IPO, increased fund requirements for a particular purpose may be financed from our internal accruals and/ or debt financing, as required. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed

25% of the Gross Proceeds from the Issue in accordance with the SEBI ICDR Regulations. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part of the Issue Proceed shall be utilized for repayment of any part of outstanding unsecured loan as on date of filing the Draft Red Herring Prospectus. For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page no. 23.

## DETAILS OF THE OBJECTS OF THE ISSUE

### I. FUNDING THE CAPITAL EXPENDITURE REQUIREMENTS

Our Company is coming with 2 states of the art manufacturing facility at Gurap and Dhulagarh in the state of West Bengal. Both the locations have been selected strategically so as to cater to the newer markets with minimal logistic cost. The tentative capital expenditure for the above manufacturing facility are as follows:

| <b>₹ in Lakhs</b>     |                                   |
|-----------------------|-----------------------------------|
| <b>Particulars</b>    | <b>Approx Capital Expenditure</b> |
| Facility at Gurap     | 1,709.00                          |
| Facility at Dhulagarh | 463.53                            |
| <b>Total</b>          | <b>2,172.53</b>                   |

Details of both the facility are as follows -

#### A. GURAP FACILITY

The Size of the facility at Gurap will be of 70,000 Sq Ft of constructed area located at Mouza – Dulfa, J.L. No. 155, appertaining to R.S. Khatian No. 41, under R.S. Dag No. 75, L.R. Dag No. 148, P.S. Gurap, District – Hooghly. The Place has been taken on Rent, the Rent is to Commence from December 01, 2022 and the Commercial Production is expected to start from January 01, 2023.

Our Company plans to set up Rusk Biscuit, Cream Filled Cup Cake & Flour Mill manufacturing Facility. Flour Mill will be used for internal consumption and the idea behind of setting up the facility is to have quality and price competitiveness over the peers. Rusk Biscuit will have an installed manufacturing capacity of 10.00 MT/Day and whereas Cream Filled Cup Cake will have an installed manufacturing capacity of 5.00 Mt/Day. Flour Mill will have an installed Manufacturing facility of 100 Tn/ Day.

The rationale behind selecting Gurap is that it is strategically located about 60 km from Kolkata and right in the middle of the highest consuming snacks market in Eastern India. The same will help the brand to penetrate in central Kolkata Market and its adjoining periphery which will increase the top line and bottom line as well as the brand visibility.

The estimated cost of the project the said location will be ₹1,709 Lakhs. Detailed beak-up of the cost are as follows:

| <b>(₹ In lakhs)</b> |  |                      |                                      |   |                       |                       |
|---------------------|--|----------------------|--------------------------------------|---|-----------------------|-----------------------|
| <b>Sl. No.</b>      | <b>Specification</b>                       | <b>Area/capacity</b> | <b>Vendor (Name)</b>                 | <b>Vendor Address</b>   | <b>Quotation date</b> | <b>Estimated cost</b> |
| 1                   | <b>Civil and Structural Works</b>          | 70,000 Sq. Ft        | Swachha Enterprises                  | Village Plus PS Gurap, Hooghly – 712303                                       | 01-06-2022            | 700.00                |
| 2                   | <b>Electricals Fittings</b>                | 70,000 Sq. Ft        | Bisweswari Electric                  | Village PO Dhaniakhali, Hooghly – 712302                                      |                       | 260.00                |
| 3                   | <b>Machinery</b>                           |                      |                                      |   |                       |                       |
|                     | - Rusk Biscuit                             | 10 MTPD              | Arun Rega Bakery Machineries Pvt Ltd | SF.No.: 213,Site No.4, SITRA Kalapatti Rd.(PO), Coimbatore 641048             | 20.06.2022            | 140.73                |
|                     | - Generator                                | 400 KVA              | Amaze Power                          | Amaze Power, 3rd Floor, BNCCI House, 23 R N Mukherjee Road, Kolkata - 700 001 | 17.06.2022            | 29.91                 |
|                     | - Cream Filled Cup Cake Manufacturing Line | 5 MTPD               | Arun Rega Bakery Machineries Pvt Ltd | SF.No.: 213,Site No.4, SITRA Kalapatti Rd.(PO), Coimbatore 641048             | 20.06.2022            | 230.38                |
|                     | - Flour Mill                               | 100 Tn/ Day          | Bansal Engineers Pvt Ltd             | Sonpath Haryana   | 10.06.2022            | 319.17                |

| Sl. No. | Specification                            | Area/capacity | Vendor (Name) | Vendor Address | Quotation date | Estimated cost  |
|---------|--|---------------|---------------|----------------|----------------|-----------------|
| 4       | <b>Miscellaneous &amp; Contingencies</b> |               |               |                |                | 28.81           |
|         | <b>Total</b>                             |               |               |                |                | <b>1,709.00</b> |

### **B. DHULAGARH FACILITY**

The Size of the facility at Dhulagarh will be 75,000 Sq Ft located at Plot F9, NH-VI, WBIDC Food Park, Dhulagori, P.O. Sankrail, Howrah -712302. The total cost of the Project the said location will be ₹ 463.53 Lakhs Approx.

The space has been taken on Rent, the rental will start from December 01, 2022 and the Commercial Production is expected to start from January 01, 2022.

Our Company plans to set up Extruded Puff Processing Line, Pellet Frying Line, Servo CUP Filler, SWIFT 42 Automatic Wafer Baking manufacturing facility. The daily manufacturing capacity of Fryums will be 16 MT/ Day and the Wafer Manufacturing facility will be 1.5 MT/ day.

The idea behind setting up the facility at Dhulagarh is that the facility is located in the Dhulagarh Food Park and moreover it's located only 30 Kms from Kolkata. The proximity of the facility to Kolkata helps our Company in expanding its foot print in newer markets with maximum profitability because of the logistical convenience from the said location. The facility will add to the top line as well as bottom line of our Company.

The estimated cost of the Project the said location will be ₹ 463.53 Lakhs. Detailed beak-up of the cost are as follows:

(₹ In lakhs)

| Specification                                  | Area/capacity        | Vendor (Name)                            | Vendor Address   | Quotation date | Estimated cost |
|--|----------------------|--|--|----------------|----------------|
| <b>Machinery</b>                               |                      |  |  |                |                |
| -Extruded Puff Processing Line                 | 150 KG/HR            | Hargopal Machines Private Limited        | Plot NO 41G DLF Industrial Area, Phase 1, Faridabad – 212003   | 17.06.2022     | 53.10          |
| -Generator                                     | 400 KVA              | Amaze Power                              | Amaze Power, 3rd Floor, BNCCI House, 23 R N Mukherjee Road, Kolkata - 700 001  | 17.06.2022     | 29.91          |
| - SWIFT 42 Automatic Wafer Baking Machine Line | 150 kg/hr            | R & D Enginners                          | A-41, 1DA Kukatpally, Phase II Road No -4, Via Indl Estate Gandhi Nagar, Hyderabad – 500037                          | 27.04.2022     | 119.49         |
| - Servo CUP Filler                             | 80 pouches/minute*10 | V S International                        | Plot No 41G DLF Industrial Area, Phase 1, Faridabad – 212003   | 09.06.2022     | 131.69         |
| - Nitrogen Plant                               | 30 NM Cube           | Bengal Engineering Gas & Service         | P.O – Samta, P.S. – Bagnan, Dist. – Howrah, Pin – 711 303  | 19.06.2022     | 12.74          |
| Pellet Frying Line                             | 1000 Kg/Hr           | Economode Food Equipment (India) Pvt Ltd | Kothari Warehouse No.3, Unit ‘ M ‘, 27 Acre, Tikuji-Ni-Wadi Road, Chitalsar, Manpada, Thane (W) Maharashtra - 400607 | 21.06.2022     | 98.77          |
| <b>Miscellaneous &amp; Contingencies</b>       |                      |  |  |                | 17.83          |
| <b>Total</b>                                   |                      |  |  |                | <b>463.53</b>  |

## GENERAL CORPORATE EXPENSES

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

Further, our management confirms that

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

## TO MEET THE EXPENSES OF THE ISSUE

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

| Particulars   | (₹ in Lakhs) |
|---|--------------|
|   | Amount       |
| Issue management fees including fees and reimbursements of Market Making fees and payment to other intermediaries such as Legal Advisors to the IPO, Registrars and other out of pocket expenses. | [•]          |
| Advertising and marketing expenses  | [•]          |
| Printing & Stationery, Distribution, Postage  | [•]          |
| Regulatory and other statutory expenses including Listing Fee   | [•]          |
| <b>Total</b>  | <b>[•]</b>   |

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

## Appraisal by Appraising Fund:

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

## Shortfall of Funds

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

## Bridge Financing Facilities

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

## Interim Use of Proceeds

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





## **Monitoring Utilization of Funds**

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

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

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

## **Variation in Objects**

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

## **Other Confirmations**

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

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## BASIS FOR ISSUE PRICE

The Issue Price of ₹ [●] per Equity Share has been determined by our Company, in consultation with the Book Running Lead Manager and justified by our Company, on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is ₹10/- and Issue Price is ₹ [●] which is **at par** of the face value. Investors should also refer “**Our Business**”, “**Risk Factors**” and “**Financial Statements as Restated**” beginning on page no. 86, 23 and 140 respectively, of this Draft Red Herring Prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS:

Some of the qualitative factors, which form the basis for computing the price, are –

- Growing financial performance
- Multi-product portfolio;
- Cordial relations with our customers;
- Quality Assurance & Control;
- Leveraging the experience of our Promoters; and
- Experienced management team and a motivated and efficient work force;

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled, “**Our Business**”, beginning on page no. 86 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS:

Our Company has been formed upon conversion of Partnership Firm into Company vide a certificate of incorporation dated February 11, 2022. Our Company has been converted with paid up equity share capital of ₹ 7,00,00,000 divided into 70,00,000 equity shares of ₹ 10 each. The status of our Company prior to February 11, 2022 was Partnership Firm. Hence, EPS and NAV per share for all the years has been calculated by considering the number of shares outstanding post conversion of partnership firm into Company. The information presented in this section is derived from our Company’s restated financial statements for the period ended March 31, 2022 and financial year ended on 31st March 2021 and 31st March 2020 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For details, refer chapter titled “**Financial Statements as Restated**” beginning on page no 140 of this Draft Red Herring Prospectus. Some of the information presented below relating to our Company is derived from the Restated Financial Statements.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

#### 1. Basic and Diluted Earnings/Loss per Share (“EPS”) as adjusted

As derived from the Restated Financial Statements:

| Year/Period ended       | Basic / Diluted EPS (₹) | Weight |
|-------------------------|-------------------------|--------|
| March 31, 2022*         | 3.44                    | 3      |
| March 31, 2021          | 0.73                    | 2      |
| March 31, 2020          | 0.49                    | 1      |
| <b>Weighted Average</b> | <b>2.05</b>             |        |

\* **Combined EPS figure from 1<sup>st</sup> April 2021 to 11<sup>th</sup> February 2022 and 12<sup>th</sup> February 2022 to 31<sup>st</sup> March 2022**

Note:

(i) *The figures disclosed above are based on the restated financial statements of our Company.*

(ii) *The face value of each Equity Share is ₹ 10.00.*

(iii) *Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.*

(iv) *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements beginning on page no. 140.*

(ii) *Basic Earnings per share = Net profit after tax / Weighted average number of equity shares outstanding during the period/year.*

(ii) Diluted Earnings per share = Net profit after tax / Weighted average number of potential equity shares outstanding during the period/year.

(iii) 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. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●]:

| Particulars                                | P/E at the Issue Price (no. of times) |
|--|---------------------------------------|
| Based on Basic/Diluted EPS for Fiscal 2022 | [●]                                   |

## 3. Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 561.29, the lowest P/E ratio is (46.65) and the average P/E ratio is 191.63.

| Particulars        | Industry peers         | P/E ratio |
|--------------------|------------------------|-----------|
| Highest            | Prataap Snacks Limited | 561.29    |
| Lowest             | DFM Foods Limited      | (46.65)   |
| Industry composite |                        | 191.63    |

### Notes:

(i) The highest and lowest industry P/E shown above is based on the peer set provided below under “Comparison with listed industry peers”. The industry average has been calculated as the arithmetic average P/E of the peer set provided below.

(ii) P/E figures for the peer are computed based on closing market price as on July 8, 2022, divided by Basic EPS.

## 4. Average Return on Net Worth (RoNW):

Return on net worth derived from the Restated Financial Statements:

| Year Ended              | RONW (%)      | Weight |
|-------------------------|---------------|--------|
| March 31, 2022          | 31.89%        | 3      |
| March 31, 2021          | 22.11%        | 2      |
| March 31, 2020          | 41.48%        | 1      |
| <b>Weighted Average</b> | <b>30.23%</b> |        |

### Notes:

(i) Weighted average = Aggregate of year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each year] / [Total of weights]

(ii) Return on Net Worth (%) = Net profit after tax as restated, attributable to the owners of our Company / Net worth as restated as at period/year end.

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

| Particulars     | NAV (in ₹) |
|-----------------|------------|
| March 31, 2022  | 10.79      |
| After the Offer | [●]        |
| Issue Price     | [●]        |

## 6. Comparison with listed industry peers

Following is the comparison with our peer group companies listed in India:

| Name of the Company          | Revenue from operations (₹ in Lakhs) | Face Value (₹) | P/E     | EPS (Basic) (₹) | Return on Net Worth (%) | NAV per share (₹) |
|------------------------------|--------------------------------------|----------------|---------|-----------------|-------------------------|-------------------|
| Annapurna Swadisht Limited   | 6,104.66                             | 10.00          | [●]     | 3.44            | 31.89                   | 10.79             |
| <b>Peer Group</b>            |                                      |                |         |                 |                         |                   |
| Prataap Snacks Limited       | 1,38,309.77                          | 5.00           | 561.29  | 1.24            | 0.47                    | 266.17            |
| DFM Foods Limited            | 55,445.00                            | 2.00           | (46.65) | (4.93)          | (16.02)                 | 30.38             |
| Britannia Industries Limited | 13,94,467.00                         | 1.00           | 60.26   | 63.31           | 58.63                   | 107.34            |

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

Source for Annapurna Swadisht Limited: Based on the Audited Financial Statements for the year ended March 31, 2022.

### Notes:

(i) P/E Ratio has been computed based on the closing market price of equity shares at National stock Exchange of India Limited on July 08, 2022, divided by the Basic EPS.

(ii) Return on Net Worth (%) = Net profit after tax as restated, attributable to the owners of the Company / Net worth as restated as at period/year end.

(iii) "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, miscellaneous expenditure not written off.

(iv) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares

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## **STATEMENT OF POSSIBLE TAX BENEFITS**

**To,  
The Board of Directors  
Annapurna Swadisht Limited  
90, Phears Lane,  
Unit No. 604, 6th floor  
Kolkata – 700012 West Bengal, India**

Dear Sirs,

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

We hereby confirm that the enclosed annexure, prepared by Annapurna Swadisht Limited ('the Company') states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

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

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

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



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

For, **A M R K & Co.**  
Chartered Accountants  
Firm Reg. No:327630E

Sd/-  
**CA Megha Malpani (Partner)**  
Membership No: 068044

Place: Kolkata  
Date: 15th July 2022  
UDIN No: 22068044ANIWJU2097



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

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

**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.**

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

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

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

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

Notes:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

Signed in terms of our separate report of even date.

For, **A M R K & Co.**  
Chartered Accountants  
Firm Reg. No:327630E

Sd/-

**CA Megha Malpani (Partner)**  
Membership No: 068044

Place: Kolkata  
Date: 15th July 2022  
UDIN No: 22068044ANIWJU2097s

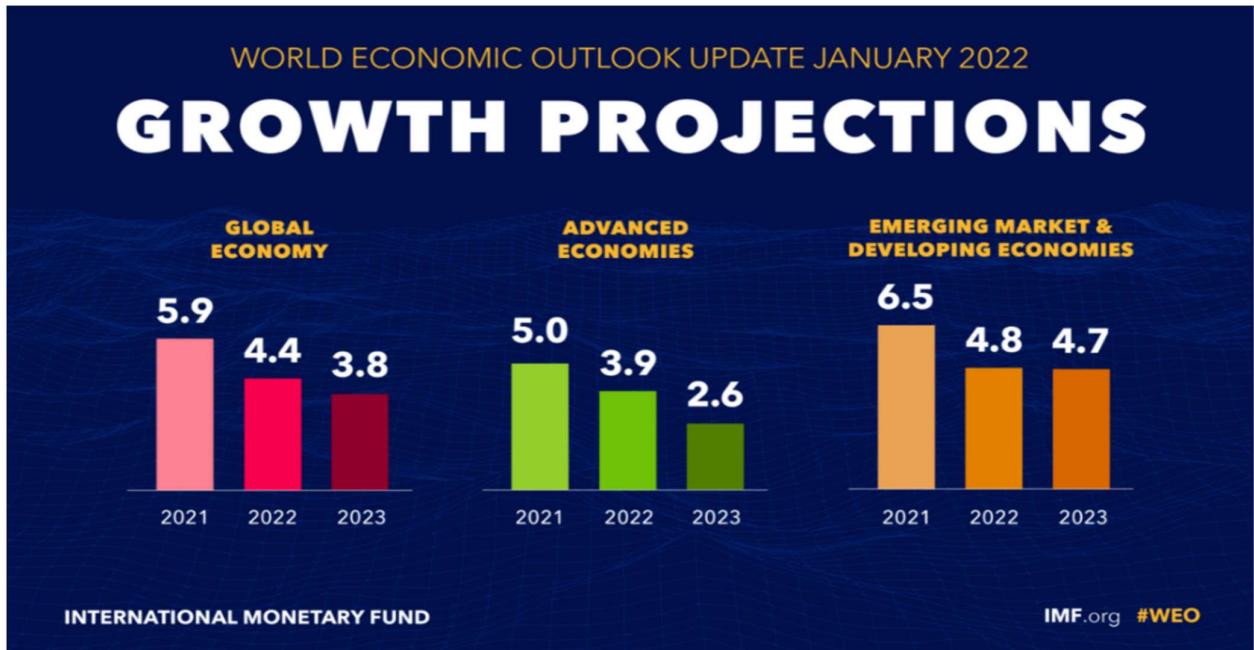
## SECTION VIII – ABOUT US

### INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither the Company and nor any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

### GLOBAL OUTLOOK

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



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

Global growth is expected to moderate from 5.9 in 2021 to 4.4 percent in 2022—half a percentage point lower for 2022 than in the October World Economic Outlook (WEO), largely reflecting forecast markdowns in the two largest economies. A revised assumption removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages produced a downward 1.2 percentage-points revision for the United States. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow to 3.8 percent in 2023. Although this is 0.2 percentage point higher than in the previous forecast, the upgrade largely reflects a mechanical pickup after current drags on growth dissipate in the second half of 2022. The forecast is conditional on adverse health outcomes declining to low levels in most countries by end-2022, assuming vaccination rates improve worldwide and therapies become more effective.



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

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

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

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

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

### **Global Growth Set to Moderate and Inflation to Persist Longer**

*Global growth* is estimated at 5.9 percent in 2021 and is expected to moderate to 4.4 percent in 2022, half a percentage point lower than in the October 2021 *World Economic Outlook* (Table 1). The baseline incorporates anticipated effects of mobility restrictions, border closures, and health impacts from the spread of the Omicron variant. These vary by country depending on susceptibility of the population, the severity of mobility restrictions, the expected impact of infections on labor supply, and the importance of contact-intensive sectors. These impediments are expected to weigh on growth in the first quarter of 2022. The negative impact is expected to fade starting in the second quarter, assuming that the global surge in Omicron infections abates and the virus does not mutate into new variants that require further mobility restrictions. Forecasts are based on information up to January 18, 2022.

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

The upward revision to global growth in 2023 is mostly mechanical. Eventually, the shocks dragging 2022 growth will dissipate and—as a result—global output in 2023 will grow a little faster. Among prominent revisions not due to the pandemic, India's prospects for 2023 are marked up on expected improvements to credit growth—and, subsequently, investment and consumption—building on better-than-anticipated performance of the financial sector. The upward

revision to 2023 global growth is, however, not enough to make up ground lost due to the downgrade to 2022. Cumulative global growth over 2022 and 2023 is projected to be 0.3 percentage point lower than previously forecast.

## Latest World Economic Outlook Growth Projections

(real GDP, annual percent change)

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

Source: IMF, World Economic Outlook Update, January 2022

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

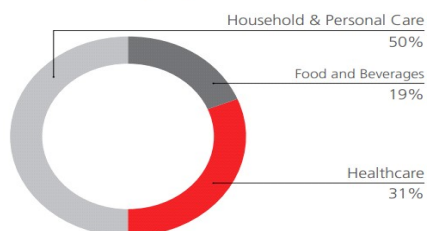
(Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/01/25/world-economic-outlook-update-january-2022>)

### The FMCG Industry

The Fast-Moving Consumer Goods (FMCG) sector is the fourth largest sector in the Indian economy with a market size of USD 110 billion in 2020. The industry is expected to reach a market size of USD 220 billion by 2025 registering a CAGR of 19% over the forecast period. Within the FMCG sector, Household and Personal Care category accounts for 50% of the sales, Healthcare category contributes to 31% and Food & Beverages category contributes to 19% of the overall sales in this sector.

(Source: *Impact of Budget 2021 on the FMCG Sector - Business World*)

FMCG Sector - Key Segments Contribution



The Food & Beverages sector contributes to approximately 30% of household spending in India. Rising income levels, increasing Urbanisation, change in consumer preference towards healthy and organic foods drives the growth of this segment.

Nielsen India had projected FMCG sales to contract between -1 and -3% in 2020 led by the sharp sales contraction in the first quarter of FY 2021 due to COVID-19 pandemic. Normalcy in economic activity, festive-led buying and a strong performance in India's villages led to fast-moving consumer goods volumes climbing 5% during the quarter ending December 2020. This was further aided by the skyrocketing sale of essential food items, hand sanitisers and disinfectants. Rural markets, meanwhile, raced ahead registering a 14.2% year-on-year growth in the same quarter. This sharper recovery is on the back of favourable agricultural sector performance, government action towards rural employment generation, and as rural India had lesser impact of the pandemic.

### **Rural Market to lead FMCG growth**

Rural segment is growing at a rapid pace and accounted for a revenue share of 45% in the overall FMCG sector in India. In the last decade, India's rural FMCG market has recorded a CAGR of 11.3% and has contributed 75% growth in the FMCG sector. The growth is mainly driven by increased brand awareness arising from media exposure and higher penetration of internet and mobile phones.

In FY 2021, rural markets have witnessed improved demand owing to the excellent monsoon season, higher levels of income from farm as well as non-farm activities, increasing level of Minimum Support Price (MSP) and higher allocation of MGNREGAS made by Government in FY 2021. Additionally, strong rural FMCG growth has been observed due to reverse migrations during lockdown period. As rural regions were largely untouched in the first wave of COVID-19, rural demand outpaced urban demand.

But with the rising cases in small towns and rural areas in the second wave of COVID-19 and subsequent re-imposition of lockdowns, in April and May 2021, the rural demand is likely to remain muted in the first quarter of FY 2022. However, the demand is likely to rebound from the second quarter of FY 2022 with the lifting of restrictions, good monsoon, festive season, extension of rural stimulus programmes, including free ration scheme and hike in minimum support prices of major crops. The mass vaccination drive by the Government and release of the Standard Operating Practices (SOP) in May 2021 on COVID-19 management in peri-urban, rural, and tribal areas to oversee the implementation of the SOPs at the grassroots level is likely to provide cushion against second and third wave of COVID-19 pandemic.

With the increased connectivity and greater access to information through technology, the FMCG sector in rural India has witnessed a drastic change in its consumer behaviour. Companies must strengthen their rural distribution network and innovative approaches to cater to the changing demand trend of India's rural population.

*(Source: KPMG Report on India's Rural Economy)*

## **Indian Packaged Foods Industry Overview**

### **Indian Snacks**

The snacks industry of India is the most promising and booming segment of the FMCG category. Consumers always prefer healthier and flavorful options in the food market. Besides, snacks are more popular with the younger generation, and India has one of the world's highest number of the younger population. There is a rise in demand for snacks in India; it is driving the companies to grow and operate in this segment lucratively. According to Renub Research latest report, the India Snacks Market is expected to reach US\$ 23.36 Billion by 2026.

The packed snacks such as instant and ready-to-cook snacking food items act as the primary growth drivers for the snacks industry in India. The consumption of package snacks is growing in India due to hygienic factors, easy availability, numerous choices, and a rise in its citizens' personal disposable income. Our study suggests that the Indian Snacks Market size is expected to grow with a double-digit CAGR of 13.24% from 2020 to 2026.

Millennial and Gen-Zs population are considered a big market by FMCG companies for its snacks segment. Since Millennial and Gen-Zs population are more inclined towards the junk food. However, this trend is also changing slowly with the introduction of organic nutrient snacks in the Indian market. These snacks are considered a bit healthier compared to regular snacks because of qualities like low calorie and constituting less oil; thus, huge Indian masses prefer them. The market of snack food in India is valued to US\$ 11.08 Billion in 2020.

Products such as Extruded Snacks, Chips, Namkeen are famous among different consumer's base, age group, and monthly income. India has different types of traditions, culture and food; that's why snacks tastes differ from region to region in India. Further, they are continuously capitalizing on the opportunity through their product offerings, bringing the goodness of healthy food items to Indian consumers in different formats suited to the lifestyle of the Indians as per their choice. Moreover, in

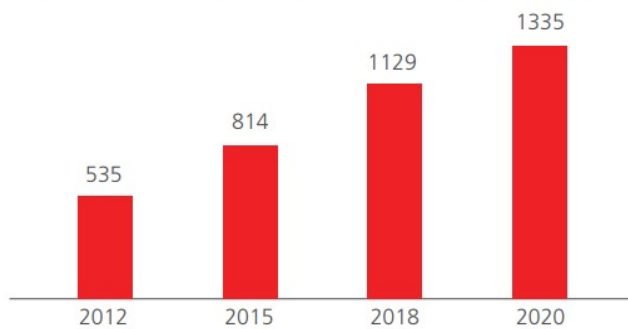
India, many unorganised players working into the markets play a major role in the snacks market's growth.

Among many lifestyle changes, the COVID-19 induced lockdown also influenced snacking habits in India. As consumers were confined to homes and were anxious, so the ready-to-eat savouries became their instant companions, offering gratification as well as a sense of contentment to them. When most economic sectors were adversely hit, the lifestyle changes positively impacted the snacks market in India.

The Indian snack processing industry is an encouraging as well as a thriving arm of the FMCG category. Snacking industry has shown remarkable growth in last few years owing to factors such as growing middle-class population, demographic shifts, youth entering the workforce, rise in busy lifestyles, increasing nuclearisation of households, rising urbanisation, local availability of snacks at small pack sizes and low price along with enhanced offerings covering regional flavours and taste. With a flourishing health-conscious population, the Indian snack processing industry is heading towards healthy snacking practices. Consumers are now searching for health and nutrition as a part of their snacking experience. Therefore, this has led to many healthy snack products being introduced in the Indian snack market.

In 2020, the sales volume of savoury snacks in the Indian packaged food market amounted to 1,335 thousand metric tonnes.

**Savoury Snacks Sales Volume** (in 1,000 metric tonnes)



Source: Statistika.com

### Increasing demand for packaged snacks

The pandemic has changed the buying patterns of consumers and accelerated the growth of Indian packaged food industry. The industry has seen transition from freshly made snacks to packed, instant and ready-to-cook snacking food items. Millennials & Gen-Zs have adopted snacking attitudes and are purchasing different packaged food choices based on health, convenience, brand and trust. Recently, COVID-19 hassled more people to work from home and the definition of basic necessity changed from basic foods to snacking and munching items. Considering the hazards attached to non-packaged products there has been rise in demand of packaged food which ensures safety and hygiene in the times of COVID-19.

According to Modor Intelligence, the India food and beverage packaging market was valued at USD 33.2 billion in 2020, and it is expected to reach USD 156.2 billion by 2026, registering a CAGR of 29.8% during the forecast period (2021-2026). With the market dominated by the unorganised sector and the increasing health focus that has led to consumers switching from loose to packaged food products across all segments, there is a significant opportunity for organised players to gain market share. Brands are capitalising on this opportunity through their product offerings, bringing the goodness of healthy food items to Indian consumers in different formats suited to their lifestyle, taste and convenience. The growth will be further aided by the rising trend of online food delivery owing to fast-paced life in urban cities along with witnessing growth in income and a better standard of living.

With the rise in online retailing, online retailers are also launching their own private label brands, thus providing consumers with a much wider choice of products and channels to choose from. The rise in online labels will further boost the growth of packaged food industry. However, manufacturers need to watch and explore ways to differentiate their offerings through product, price or packaging.

The rising internet penetration, increasing ordering frequency, favourable consumer disposition, geographical reach in smaller tiers and expanding network will continue to drive momentum in the Indian packaged food industry. With authorities increasingly clamping down and tightening norms around food labelling and general safety and hygiene, there will always be room for the growth of ready-to-serve packaged food as India has a permanently large middle-class with increasingly hectic schedules and busy lifestyles

## GROWTH DRIVERS OF THE INDUSTRY

- **Innovation and new offerings:** Innovation will continue to drive growth in this industry by delivering products which address unmet consumer needs. New products and flavours inspired by the diversified food culture of India will drive higher consumption.
- **Urbanization:** India's population is rising accompanied with a rise in urbanisation, which in turn has given a huge boost to the food industry. Now consumers want to purchase products that are nutritious, tasty, and convenient to procure.
- **Evolving customer habits:** Rising disposable incomes, mall culture and metropolitan lifestyles are boosting higher-customer spending. Packaged products are becoming highly popular among the younger generations. Customers are also looking for more hygienic snacking options post the pandemic
- **Untapped rural and semi-urban market:** Huge untapped rural and semi-urban market

### PLI Scheme will drive growth for of ready-to-eat foods

In order to boost domestic manufacturing and cut down on import bills, the central Government in March 2020 introduced a Production Linked Incentive (PLI) scheme for the food processing industry with an outlay of ₹ 10,900 crore during 2021-22 to 2026-27 that aims to give companies incentives on incremental sales from products manufactured in domestic units. The effort is to take the country's food processing to a next level amid the rising global demand for Indian ready-to-eat foods, organic products, processed fruits and vegetables, marine products and mozzarella cheese.

### Outlook In India

Majority of the population still prefers unpackaged food. But the ongoing pandemic has put health safety into the spotlight and divided this preference. Now there's an organic move towards packaged snack foods in tier-3 cities as well, where the packaged food has been processed with minimum handling and reaches consumers in sealed packs. Many local as well as foreign entities are expecting gains from the rise of the snacking industry in India. While pandemic related disruptions have impacted the sale of salty snacks, the industry is expected to bounce back as the covid restrictions reduce. In the last 5 years, the Indian snacking industry is undergoing a remarkable growth cycle as multinational companies attempt to cement their presence within the Indian market. The foreign direct investments (FDI) have been on the rise, thanks to strong policies in place. The food processing industry is also included in Production Linked Incentive Scheme. The scheme aims to support creation of global food manufacturing champions commensurate with India's natural resource endowment and support Indian brands of food products in the international markets with an outlay of ₹ 10900 crore. The implementation of this scheme would facilitate expansion of processing capacity to generate processed food output of ₹ 33,494 crore and create employment for nearly 2.5 lakh persons by the year 2026-2027. The mix of quality supply, investments and demand driven by a young population is expected to continue the growth trajectory for the industry.

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" on page 23 for a discussion of the risks and uncertainties related to those statements, as well as "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 140 and 172 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

Our Company was incorporated as a private limited company under the Companies Act, 2013 in the name and style of "Annapurna Swadisht Private Limited" bearing Registration Number 251553 dated February 11, 2022 upon conversion of the partnership firm namely Annapurna Agro Industries, under part I of Chapter XXI of the Companies Act, 2013, issued by the Registrar of Companies, West Bengal. Subsequently, our Company was converted into public limited company pursuant to a shareholders' resolution passed at an Extra-Ordinary General Meeting held on June 15, 2022, and name of our Company was changed to "Annapurna Swadisht Limited" and a fresh Certificate of Incorporation dated July 8, 2022 was issued by Registrar of Companies, Central Registration Centre, Delhi. As on date of this Draft Red Herring Prospectus the Corporate Identification Number of our Company is U15133WB2022PLC251553.

Our promoters Mr. Ritesh Shaw and Mr. Shreeram Bagla were under taking the business of snacks and food products in the Annapurna Agro Industries. The Firm was incorporated in the year 2015, and over the years, it is being able to established itself as a brand name in the Eastern India.

Our Company is manufacturer of snacks and food products, namely, Fryums, cakes, candys, namkeen, chips and Gohona Bori. Our key raw materials include refined flour, palm oil, spices and laminates. Our Company use raw material of premium quality sourced from reputed local suppliers, which help us to ensure the quality of our products.

We are a Bharat FMCG Company. We are one of the largest FMCG player in Eastern India and we are the fastest growing segment in Fryums, Cakes, Candies, Namkeen and Potato Chips.

We have a unique price point of Rs. 5 which makes us the dominant player in Rural Area. We sell more than 12 Lakh packets of products daily. Our Company have a hub in Asansol with an constructed area of approx. 50,142 sq. ft. and at Manufacturing unit in Siliguri with an constructed area of approx. 35,000 sq. ft. We have generated employment to over 235 people.

The daily production capacity of the Asansol manufacturing unit is 15 MT of Fryums, whereas the daily production capacity of manufacturing unit at Siliguri is 10 MT of Fryums.

Currently, our company has a two manufacturing unit, located at:

- c. **Asansol Unit:** Girmint road, Majiara, Plot J.L 43, Paschim Bardwan, Asansol, West Bengal - 713301, India.
- d. **Siliguri Unit:** Plot No. RS 471/894, 471, Block - Rajganj, Gram Panchayat - Dabgram II, Mouza - Dabgram, P.S. Bhaktinagar, Vill. & Para - North Shantinagar, Jalpaiguri, West Bengal – 735135, India.

Our units are well equipped with machineries and other handling equipment to facilitate smooth manufacturing process. Along with this, the units also have an in-house laboratory for testing the quality of products.

The installed capacity of our Asansol unit is 15.00 MT per day of 2 shifts and Siliguri unit is 10.00 MT per day of 2 shifts. We presently operate at ~100% in Asansol unit and at ~100% at Siliguri unit as at the end of June 30, 2022.

Our Company is in the process of setting of manufacturing facilities at:

- a. Village Dulfa, P.O. Bhastara, P.S. Gurap, District Hooghly, Hooghly, West Bengal – 712303, with an installed capacity of 100 MT per day for flour mill, Cakes 5 MT per day and Rusk 10 MT per day,
- b. Plot F9, NH-VI, WBIDC Food Park, Dhulagori, PO- Sankrail, Howrah – 712302, with an installed capacity of 16 MT per day FRYUMS and 1.5 MT per day of Wafer.

Our products are marketed under our own brand names Jackpot, Chatpata Moon, Balloon, Finger, Rambo, Makeup Box, Dhamaka, Phoochka, Jungle Adventures, Ringa, Bachpan Ka Pyaar, Kurchure, Cream Filled Cake Vanilla, Cream Filled Cake Litchi, Cream Filled Cake Mix Fruit, Cream Filled Cake Orange, Cream Filled Cake Chocolate, Mixed Fruit Flavoured Cake, Chocolate Flavoured Sliced Cake, Pluss, Malai Pop, Imly Pop, Coconut Crunch, Kaju Candy, Coffico, Masala Teekha, Salted Chips, Paprika Spices, Tomatina Classic, American Cheese, Gram Gathiya, Gram Chana Jor, Crispy Diet Chidwa, Gram Bhawnagri Sev, Gram Badam Pokora And Gram Masala Muri.

We maintain hygienic norms and use good quality raw materials for manufacturing of our products. With a client-centric approach, our Company strives hard for utmost contentment of the customers. The manufactured products are prepared completely under hygienic atmosphere by the professional makers. We have been certified by Food Safety and Standards Authority of India (FSSAI) for the quality management systems of our Company in relation to our products.

The promoters of our Company are Mr. Ritesh Shaw and Mr. Shreeram Bagla have sound industrial knowledge and experience, which enable us to carry the business in an efficient manner. For further details of our promoters, please refer chapter titled “Our Promoters and Promoter group” on page 132 of this Draft Red Herring Prospectus.

As on date of this Draft Red Herring Prospectus, our Company has employed 235 employees including administrative staffs and skilled, semi-skilled and unskilled labours.

#### PLACE OF BUSINESS OF THE COMPANY

Details of which are as following:

| Sr. No. | Particulars       | Address   |
|---------|-------------------|---|
| 1.      | Registered Office | 90, Phears Lane, Unit No. 604, 6th floor PS- Bowbazar, Kolkata - 700012, West Bengal, India   |
| 2.      | Asansol Unit      | Girmint road, Majiara, Plot J.L 43, Paschim Bardwan, Asansol, West Bengal - 713301, India.  |
| 3.      | Siliguri Unit     | Plot No. RS 471/894, 471, Block - Rajganj, Gram Panchayat - Dabgram II, Mouza - Dabgram, P.S. Bhaktinagar, Vill. & Para - North Shantinagar, Jalpaiguri, West Bengal – 735135, India. |

Our manufacturing facilities are generally equipped with modern and automated production processes, with specialized custom-made manufacturing equipment obtained from national and international suppliers. In particular, the production process for Fryums is semi-automated.

We get cakes, potato chips and candys manufactured through independent contractors as under:

| Sl. No. | Name of contractor | Address  | Product   |
|---------|--------------------|--|---|
| 1       | Balaji Agro Foods  | 74/1 Old Molazar Road<br>Kankinara, Dist - 24 Parhanas<br>(N)<br>WB - 743126   | Cream filled cup cakes in 5 flavours -                      |
|         |                    |  | Litchi  |
|         |                    |  | Orange  |
|         |                    |  | Vanilla   |
|         |                    |  | Chocolate   |
| 2       | Balaji Traders     | 58/58 Barachak<br>PO - Sitarampur<br>Paschim Bardhaman<br>West Bengal – 713304 | Mix Fruit   |
|         |                    |  | Churan candy of different flavours -<br>Sweet, salty & sour |

| Sl. No. | Name of contractor         | Address  | Product                                  |
|---------|----------------------------|--|--|
| 3       | Cippy Fruit Products       | Ruiya Industrial Estate<br>Patulia, Rahara<br>Kolkata – 700119                                   | Tomato Sauce Pouch of ₹ 1/- each         |
| 4       | Sankalp Savoury Products   | 78/2 Old Molazar Road<br>Kankinara, Dist - 24 Parhanas<br>(N) West Bengal – 743126               | Slice cake in 2 flavours -               |
|         |                            |  | Chocolate                                |
|         |                            |  | Mix Fruit                                |
| 5       | Tulsi General Traders      | Girmint Road, Majiara<br>Plot JL 43, PS - Asansol,<br>Paschim Bardhaman,<br>West Bengal - 713301 | Toffee and candies of different flavours |
|         |                            |  | Mango                                    |
|         |                            |  | Orange                                   |
|         |                            |  | Imli                                     |
| 6       | Siddhidatri Ahar Pvt. Ltd. | Plot No. 987 – 981, Hazaribagh – 825301, Jharkhand   | Flavoured Potato Chips                   |

### Our Raw Materials

Our raw material requirements include ingredients required for production of snack foods, as well as packaging and labelling materials. Our primary required raw ingredients for the manufacturing of our products are Our key raw materials include refined flour, palm oil, spices and laminates. We presently procure all these raw materials from our particular suppliers handpicked based on a standard operating procedure for evaluation of suppliers which includes on-site inspection and supplier verifications, and our procurement based on our requirements on an on-going basis, through purchase orders at an “as needed” basis.

### Power and Water

Given the scale of our manufacturing operations, we require a significant amount of power and water. We also have particular power requirements due to the need to process raw ingredients to get final products and for packing of different products within a particular range of temperatures. We depend on state electricity supply for our power requirements and utilise diesel generators to ensure that our facilities are operational during power failures or other emergencies. We take power from West Bengal State Electricity Board. We have installed energy efficient equipments at our manufacturing units.

We source our water requirements from boring system installed at our manufacturing units. For the portfolio of products that we manufacture, our water requirement is minimal, mainly for processing of raw ingredients, sanitation, and air-conditioning and firefighting purposes.

### Product Development

Our product development team continuously focuses on market research and analysis into evolving customer trends and preferences, for the purposes of introducing new products in the market to maintain our competitive position in the industry. Such product development work is manifested through changes in product composition, launching of new flavours and varieties of existing snacks, amongst others.

### Packaging

The primary packaging material used by us are laminates for packed dry snacks, and plastic jars for candies. This enables the product to have the shelf life of three to six months. We use automated packaging machines to pack our products into their different pack sizes. For the secondary packaging for shipping and distribution purposes, we use LDPE bags to protect the primary packs in different stages of sales and distribution.

### Major Customer

We have not entered into any contract for sale of our products. We major whole sellers are M/s. R N Enterprise, M/s. Gobind Traders, M/s. GK Agarwal and M/s. Sujoy Kumar Das.

### Distribution Network

Our distribution network enables us to effectively respond to market demand, evolving consumer preferences and



competitive pressures. As of June 30, 2022, our distribution network included 300 nos. of Distributors and 80 Super Distributors.

Our sales team maintains distributor relationships and works closely with them to understand consumer preferences and obtain feedback on our products to further align our sales, marketing and pricing strategies with market demand. As of June 30, 2022, our sales and marketing team includes 31 employees. We have made significant investment in terms of training, resources and support provided to our distributors in recent past. We believe that our distribution network, market knowledge, strong infrastructure and time required to build such an extensive distribution network present significant entry barrier for competition.

We believe that our large product portfolio, effective distribution, strong brand and extensive marketing efforts have enabled us to further strengthen our relationship with our distributors. We consistently engage with our distributors as well as ultimate retailers to collect feedback on our products and insights on changing market trends to strategies our product line.

### Testing and Quality Control Facilities

From start to end of the manufacturing process, strict measures are put in place to emphasis on quality and product safety. From the procurement of raw ingredients and materials to the packaging and shipping of products, we have a team of 25 personnel dedicated to ensuring that each manufactured product adheres to our internal and external quality control standards and regulations. In order to ensure that such policies, standards and regulations are complied with, the quality control team has been trained to impart such knowledge of quality, regulatory and statutory standards and their various updates, to the manufacturing staff in general. Occupational health and safety standards and policies have also been implemented and communicated to all staff at our manufacturing facilities as well as our contract manufacturing facility, and compliance with these standards is consistently ensured.

Besides the numerous quality assurance measures during the manufacturing process and at various inspection points, the following facilities are available for ensuring stringent quality standards of our products:

| S. No. | Particulars of Certifications | Certificate/License No. | Initial Certificate Date | Validity End Date |
|--------|-------------------------------|-------------------------|--------------------------|-------------------|
| 1      | ISO 22000:2018                | 22/F/ANS0607            | 07/06/2022               | 06/06/2025        |
| 2      | ISO 9001:2015                 | IS/2206AW/4553          | 07/06/2022               | 06/06/2025        |

### Our Products

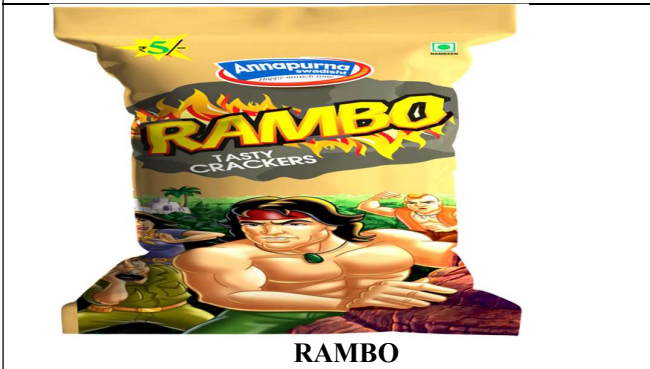




**BALLOON**



**FINGER**



**RAMBO**



**MAKEUP BOX**



**DHAMAKA**



**PHOOCHKA**



**JUNGLE ADVENTURES**



**RINGA**



**BACHPAN KA PYAAR**



**KURCHURE**



**CREAM FILLED CAKE VANILLA**



**CREAM FILLED CAKE LITCHI**



**CREAM FILLED CAKE MIX FRUIT**



**CREAM FILLED CAKE ORANGE**



**CREAM FILLED CAKE CHOCOLATE**



**MIXED FRUIT FLAVOURED CAKE**



**CHOCOLATE FLAVOURED SLICED CAKE**



**PLUSZ**



**MALAI POP**



**IMLY POP**



**COCONUT CRUNCH**



**KAJU CANDY**



**COFFICO**



**MASALA TEEKHA**



**SALTED CHIPS**



**PAPRIKA SPICES**



**TOMATINA CLASSIC**



**AMERICAN CHEESE**



**GRAM GATHIYA**



**GRAM CHANA JOR**



**CRISPY DIET CHIDWA**



**GRAM BHAWNAGRI SEV**



**GRAM BADAM POKORA**

**GRAM MASALA MURI**

| Product        | Description  | Content  | Flavour  |
|----------------|--|--|--|
| Gohona Bori    | A unique combination of rich food traditions and exquisite artistic culture of Bengal, Olonkar Gohona Bori truly represents the spirit of Bengal. Every pack contains Gohona Bori of different designs | Each pack of Olonkar Gohona Bori contains 6 pieces of meticulously handcrafted spectacularly delicious Boris<br>MRP: ₹ 90 per pack |  |
| Amazing Fryums | Pellet Based Snacks  | Net Weight: 20g<br>MRP: ₹ 5 Free Gift Inside   | Jackpot, Chatpata moon, Chicken Biryani, Veg Biryani, Balloon, Fingers, Rambo- 2 Types, Khazana Ki Race, Make up Box, School Box, Dhamaka, The Mask, Phoochka, Jungle Adventures |
|                | Corn Based Fryums  | Net Weight: 20g<br>MRP: ₹ 5  | Kurchure, Ringa, Bachpan Ka Pyar,  |
| Juicy Cakes    | Creamfilled Flavoured Cup Cakes  | Net Weight: 20g<br>MRP: ₹ 5  | Chocolate, vanilla, mix fruit, orange, litchi,   |
|                | Slice Cake   | Net Weight: 45g<br>MRP: ₹ 10   | Mixed Fruit, Chocolate   |
| Yummy Candy    | Sugar Boiled Flavoured Candy   | MRP: ₹ 1   | Pluss, Malai Pop, Imli Pop, Coconut Candy, Kaju candy, Coffico   |
| Snacks         | Potato Chips   | Net Weight: 15g<br>MRP: ₹ 5  | Tomatino Classic, Masala Teekha Spices, Salted, Paprika Spices, American Cheese  |
|                | Premium Quality Snacks   | MRP: ₹ 5   | Bhawnagri Sev, Badam Pokora, Masala Muri, Gathiya, Diet Chidwa, Chana Jor  |

## COMPETITION

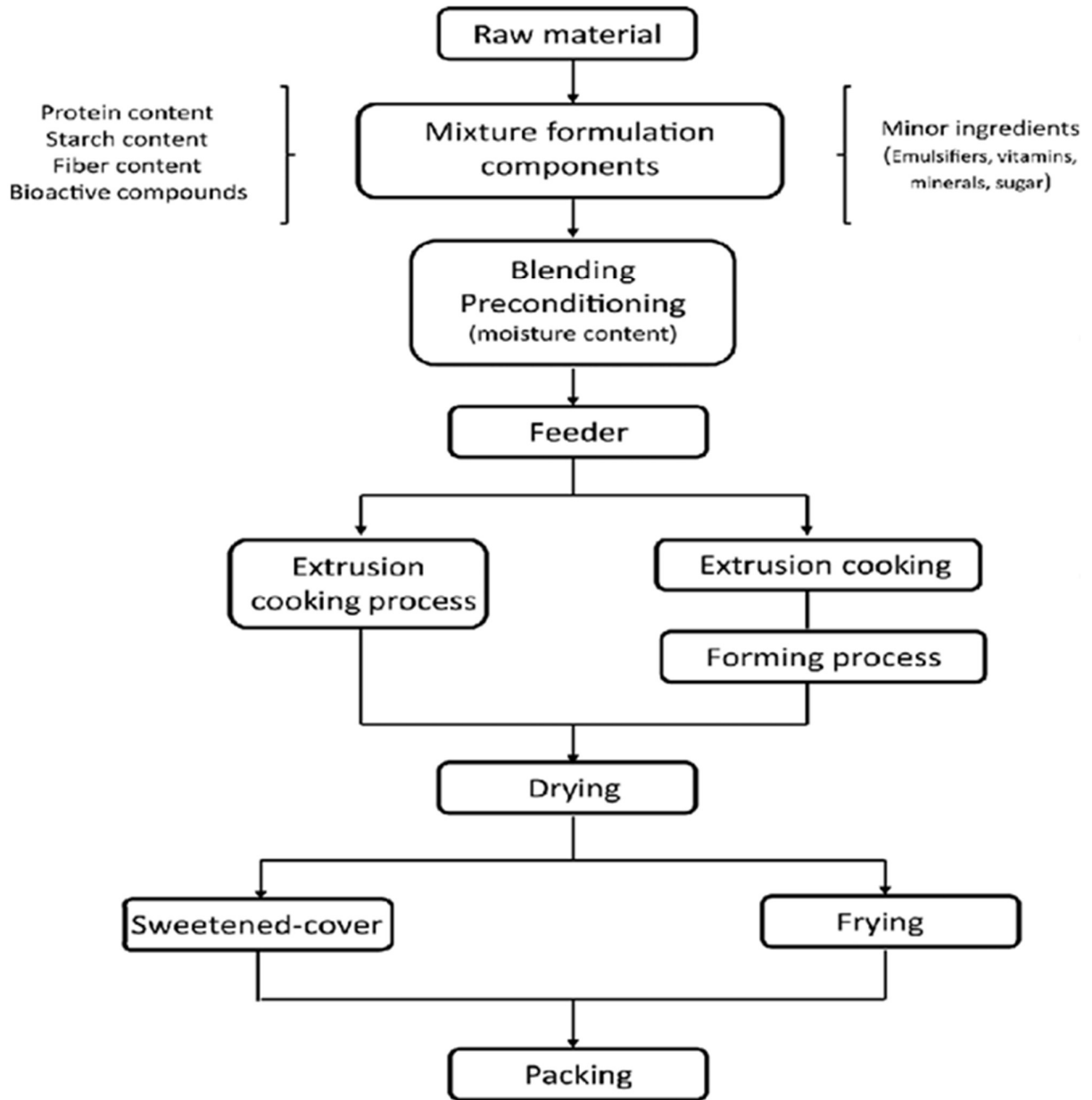
We face intense competition in the Indian snack food market, from various domestic and multinational companies in India. We have a very diverse portfolio of modern Indian snacks catered for the varying tastes and preferences of Eastern Indian. Some of our key competitors include Haldiram Foods International Private Limited, Bikaji Foods International Limited, Bikanerwala, Prataap Snacks Limited, Balaji Wafers Private Limited, ITC, Pepsico India Holdings Private

Limited and DFM Foods Limited. (Source: F&S Report) For further details, see “Risk Factors - We operate in a competitive market and any increase in competition may adversely affect our business and financial condition.”.

**MANUFACTURING PROCESS:**

Our Company’s manufacturing units are equipped with latest plant and machineries with semi-automated manufacturing process. Our Company brings the latest modern manufacturing technology.

The manufacturing flow chart of the Company are as under:



**PLANT & MACHINERY**

To maintain quality of our product, we have installed quality machinery at our plants. We have a range of hydraulic and electric motion control products, from high-performance servo-valves to machine controllers, able to provide high precision and productivity in the most extreme operating temperatures.

We have installed following machinery at our unit situated at Asansol, West Bengal:

| S.No. | Name of Machine                          | Party Name                               | State       |
|-------|--|--|-------------|
| 1     | Compressor 22 KV                         | Industrial Movers                        | West Bengal |
| 2     | Hydro Machine                            | Economode Food Equipment India Pvt. Ltd. | West Bengal |
| 3     | Packing Machine Pouching                 | Flexo Pack Machine Pvt. Ltd.             | Faridabad   |
| 4     | Nitrogen Plant                           | Bengal Gas Engineering                   | West Bengal |
| 5     | CONVEYOR                                 | Flexo Pack Machine Pvt. Ltd.             | Faridabad   |
| 6     | DG SET 250KVA 3PH MCP                    | Amaze Power                              | West Bengal |
| 7     | Dryer                                    | Royal Engineering Works                  | West Bengal |
| 8     | Elgi Compressor 45 KV                    | Industrial Movers                        | West Bengal |
| 9     | FRYING PROCESSOR MACHINE                 | Economode Food Equipment India Pvt. Ltd. | Maharashtra |
| 10    | Industrial Fan 10 Pcs                    | Indo Nepal Corporation                   | West Bengal |
| 11    | Kurkure Extruder 125 Kg                  | SK Engineering                           | Maharashtra |
| 12    | Motor Pump                               | SM Enterprises                           | West Bengal |
| 13    | MS STORAGE TANK                          | Karadani Engineering                     | West Bengal |
| 14    | Oil Tanker                               | Adarsh Trading company                   | West Bengal |
| 15    | Papad Extruder 80 HP                     | Uniq Engineering                         | Hyderabad   |
| 16    | Papad Frymes Making Machine Unique Sabur | Uniq Engineering                         | Hyderabad   |
| 17    | Pasta Cutter Machine 40 HP               | Uniq Engineering                         | Hyderabad   |
| 18    | Potato Chips Machines                    | Economode Food Equipment India Pvt. Ltd. | Maharashtra |
| 19    | Pillow Extruder                          | Hargopal Machines Pvt. Ltd.              | Faridabad   |
| 20    | Printer & Rewinder                       | KGK jet India Pvt. Ltd.                  | Tamil Nadu  |
| 21    | SS Tray                                  | Adarsh Trading company                   | West Bengal |
| 22    | Weighing Machine                         | M.K Scale                                | West Bengal |
| 23    | Batch Mixer                              | G I Engineering                          | West Bengal |
| 24    | Diesel Fryer Machine                     | Economode Food Equipment India Pvt. Ltd. | Maharashtra |
| 25    | Coin Packing Machine                     | Flexo Pack Machine Pvt. Ltd.             | Faridabad   |
| 26    | Multi Head Packing Macine                | VS International                         | Faridabad   |
| 27    | Packing Machine                          | Flexo Pack Machine Pvt. Ltd.             | Faridabad   |
| 28    | Industrial Fan                           | DN Enterprises                           | West Bengal |
| 29    | Corn Ring Machine                        | Hargopal Machines Pvt. Ltd.              | Faridabad   |
| 30    | Dryer Hydra-Masala Mixture               | Economode Food Equipment India Pvt. Ltd. | Maharashtra |

We have installed following machinery at our unit situated at Siliguri, West Bengal.

| S.No. | Name of Machine                      | Party Name                               | State       |
|-------|--------------------------------------|--|-------------|
| 1     | Elgi Compressor 15 KV                | Geemata Enterprises                      | West Bengal |
| 2     | Pilo Extruder                        | Hargopal Machines Pvt. Ltd.              | Faridabad   |
| 3     | PLC Pipe model pouch packing machine | Flexo Pack Machine Pvt. Ltd.             | Faridabad   |
| 4     | Corn Ring Machine                    | Hargopal Machines Pvt Ltd                | Faridabad   |
| 5     | Automatic Desle Fryer                | Economode Food Equipment India Pvt. Ltd. | Maharashtra |
| 6     | Seasoning Mixtuer                    | SK Engineering                           | Delhi       |
| 7     | Oil Hydro Machine                    | Royal Engineering                        | Delhi       |
| 8     | Oven 5mtr Layer                      | Hargopal Machines Pvt. Ltd.              | Faridabad   |
| 9     | D.G Set                              | Amaze Power                              | West Bengal |

#### COLLABORATIONS

We have not entered into any technical or other collaboration.

#### HUMAN RESOURCE

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We have developed a large pool of skilled and experienced personnel. Currently we have 235 full time employees as on Mar 31, 2022. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of



stability and growth, whereas execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

#### DEPARTMENT WISE BREAK-UP

| S. No. | Particulars                | No. of Employees at H.O. | No. of Employees At Asansol Unit | No. of Employees at Siliguri Unit |
|--------|----------------------------|--------------------------|----------------------------------|-----------------------------------|
| 1.     | Finance & Accounts         | 1                        | 4                                | 3                                 |
| 2.     | Sales & Marketing          | 4                        | 15                               | 12                                |
| 3.     | Administration             | 1                        | 1                                | 1                                 |
| 4.     | Compliance and Secretarial | 1                        | -                                | -                                 |
| 5.     | Production and Store       | -                        | 120                              | 63                                |
| 6.     | Purchase                   | 2                        | 1                                | 1                                 |
| 8.     | Human Resource             | 1                        | -                                | -                                 |
| 9.     | Logistics                  | -                        | 2                                | 2                                 |
|        | <b>TOTAL</b>               | <b>10</b>                | <b>143</b>                       | <b>82</b>                         |

#### FINANCIAL ACHIEVEMENTS OF THE COMPANY

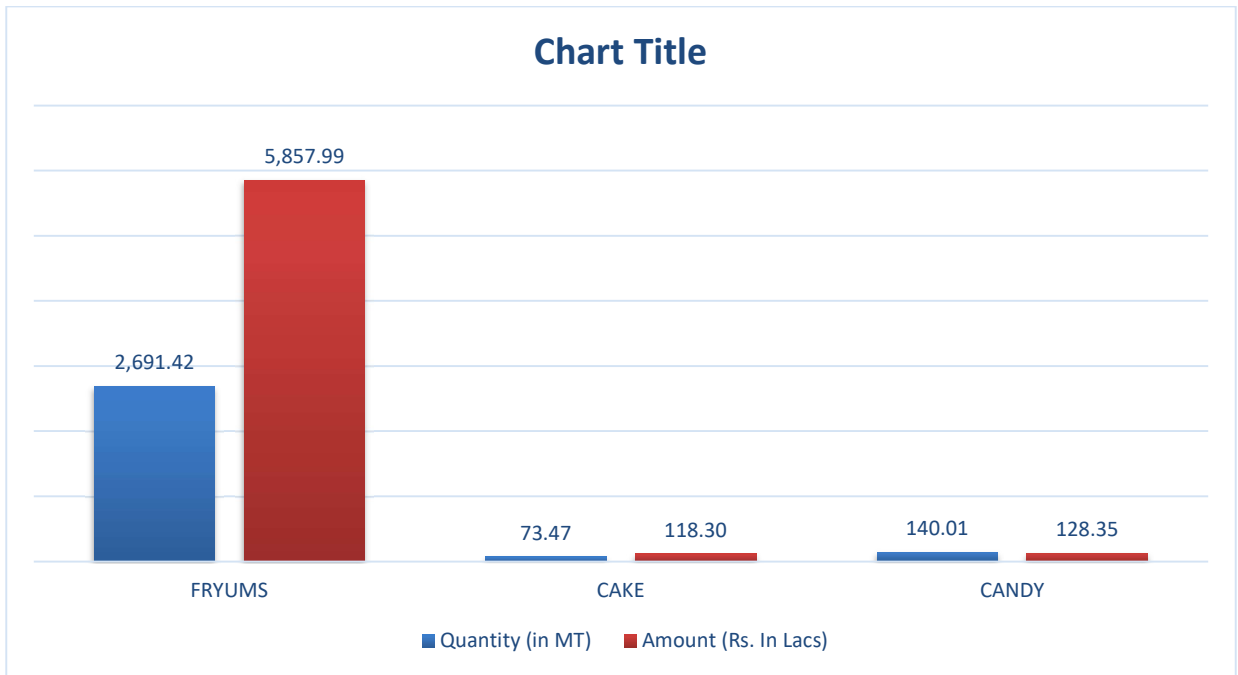
(₹ in Lakhs)

| Particulars        | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|--------------------|----------------|----------------|----------------|
| Share Capital      | 700.00         | 231.21         | 82.67          |
| Reserves & Surplus | 55.39          | -              | -              |
| Net Worth          | 755.39         | 231.21         | 82.67          |
| Total Income       | 6,105.46       | 2029.99        | 1374.55        |
| PAT                | 240.90         | 51.13          | 34.29          |

#### GEOGRAPHICAL WISE REVENUE BREAKUP

The product-wise and state-wise revenue of the Company for the period ended March 31, 2022, are as under:

| Particulars  | West Bengal      |                     | Bihar            |                     | Jharkhand        |                     | Odisha           |                     | Assam            |                     |
|--------------|------------------|---------------------|------------------|---------------------|------------------|---------------------|------------------|---------------------|------------------|---------------------|
|              | Quantity (in MT) | Amount (₹ In Lakhs) | Quantity (in MT) | Amount (₹ In Lakhs) | Quantity (in MT) | Amount (₹ In Lakhs) | Quantity (in MT) | Amount (₹ In Lakhs) | Quantity (in MT) | Amount (₹ In Lakhs) |
| FRYUMS       | 1,829.00         | 3,995.19            | 210.97           | 453.27              | 608.64           | 1,317.84            | 23.35            | 49.14               | 19.46            | 42.55               |
| CAKE         | 56.94            | 90.78               | 3.74             | 6.16                | 10.37            | 17.35               | 1.01             | 1.65                | 1.41             | 2.36                |
| CANDY        | 111.99           | 102.69              | 6.38             | 6.01                | 17.44            | 15.77               | 3.39             | 3.16                | 0.81             | 0.72                |
| <b>Total</b> | <b>1,997.94</b>  | <b>4,188.66</b>     | <b>221.09</b>    | <b>465.44</b>       | <b>636.45</b>    | <b>1,350.97</b>     | <b>27.75</b>     | <b>53.96</b>        | <b>21.68</b>     | <b>45.64</b>        |



### TOP TEN CUSTOMERS

| Name of the Party           | Amount          |
|-----------------------------|-----------------|
| <b>As at March 31, 2022</b> |                 |
| Sujoy Kumar Das             | 434.65          |
| R.N Enterprises             | 388.79          |
| Noor Mohamad                | 359.45          |
| Gonind Traders              | 205.72          |
| Robiul Mondal               | 161.83          |
| Gk Agarwal                  | 133.82          |
| Ayush Agency                | 127.37          |
| Bhagirath Biswas            | 100.51          |
| Ketki Enterprises           | 87.94           |
| Keshrei Store               | 82.58           |
| <b>Total</b>                | <b>2,082.65</b> |
| <b>As at March 31, 2021</b> |                 |
| Aloo Rani Das Medinipur     | 49.51           |
| R.N Enterprises             | 49.21           |
| Hasan Jaman                 | 48.59           |
| Ajay Kumar Jharia           | 48.20           |
| Subhash Roy , Hooghly       | 46.90           |
| Kekaki Enterprises          | 45.26           |
| Md Shahbaz - Asansol        | 43.18           |
| Biswajit Mistri - Hotugang  | 29.97           |
| Rakesh Sekh                 | 25.56           |
| JB Enterprises              | 23.80           |
| <b>Total</b>                | <b>410.18</b>   |
| <b>As at March 31, 2020</b> |                 |
| PankajAgro Product          | 79.37           |
| Ritesh Banwal               | 75.83           |
| Prestige Food Enterprises   | 64.09           |
| Subhash Roy                 | 61.05           |
| Doulat Sheikh               | 57.02           |
| Dipankar Kundu              | 55.36           |

| Name of the Party     | Amount        |
|-----------------------|---------------|
| Shree Nandan Das      | 53.67         |
| Arpan Raksit          | 49.26         |
| Debasish Jingesh      | 45.94         |
| Sainath Food Products | 45.56         |
| <b>Total</b>          | <b>587.16</b> |

## CORPORATE SOCIAL RESPONSIBILITY

As on the date of this DRHP, our Company is exempted from the provisions of section 135 of the Companies Act, 2013, in respect of Corporate Social Responsibility.

## OUR BUSINESS STRATEGY

We ensure to maintain strong relationships with distributor and retailers and work closely with them to understand consumer preferences and obtain feedback on our products to further align our sales, marketing and pricing strategies with market demand. We intend to continue to provide high quality products to our customers and grow our business by leveraging our strengths and implementing the following strategies:

### *Enhance customer base by entering new geographies*

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products. Enhancing our presence in additional regions will enable us to reach out to a larger market. Further, our Company believes in maintaining long term relationships with our customers. We aim to achieve this by maintaining the high quality, timely delivery, competitive pricing and reliability of our products.

### *Leveraging our Market skills and Relationships*

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

### *Focus on quality*

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

| SWOT ANALYSIS  |   |
|--|---|
| STRENGTHS  | WEAKNESS  |
| <ul style="list-style-type: none"> <li>• Availability of raw materials</li> <li>• Low wage labour availability</li> <li>• Good transportation system</li> <li>• Brand image</li> </ul> | <ul style="list-style-type: none"> <li>• High cost of capital, basic inputs, and manufacturing</li> <li>• Inability to adopt technology advancement</li> <li>• Low labour productivity</li> </ul>                         |
| OPPORTUNITIES  | THREATS   |
| <ul style="list-style-type: none"> <li>• Prospects of huge Infrastructural development in India</li> <li>• Unexplored rural market</li> </ul>  | <ul style="list-style-type: none"> <li>• Increase inflation and consumer price index</li> <li>• Slow rural growth</li> <li>• Disruption of business due to Covid-19 pandemic</li> <li>• High level competition</li> </ul> |

## MARKETING

Our success lies in the strength of our relationship with our distributors. Due to strong distributors network and branding in Tier II and Tier III cities and rural areas in the state West Bengal, Odisha, Assam, Jharkhand and Bihar, our product is known to public. Our team, through their vast experience and good rapport with distributors is able to

achieve increased level of business for our Company. To retain our customers, our team regularly interacts with retails and focuses on gaining an insight on changing taste and preference of customers.

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

## INSURANCE

Our Company has taken following insurance policies against any damage or loss:

| S. No. | Insurer                                 | Description of Property Insured   | Policy No.            | Expiry date |
|--------|---|---|-----------------------|-------------|
| 1.     | ICICI Lombard                           | Finished Stocks at Girmint Road, Majiara, Plot JL 43, P.S. Asansol-Paschim Burdwan-71330, West Bengal.  | 1016/233534163/00/000 | 29-11-2022  |
| 2.     | ICICI Lombard                           | Stocks at Village North Shantinagar, PS Bhaktinagar, PO Dabgram, Rajganj, Jalpaiguri, West Bengal Pin- 735135   | 4002/240550605/00/000 | 14-02-2023  |
| 3.     | TATA AIG General Insurance Company Ltd. | Fire and Burglary Insurance for Building, Plant & Machinery and Stocks for property situated at Girmint Road, Majiara, Plot JL 43, P.S. Asansol- Paschim Burdwan-71330, West Bengal.<br>Insured Till 12/05/2023 | 5182327319            | 12-05-2023  |


## LAND & PROPERTIES

Our Company has owned the following property or land:

| S. No. | Address   | Total Area       | Owned/Leased | Title  |
|--------|---|------------------|--------------|--------|
| 1.     | F9, NH-VI, WBIDC Food Park, Dhulagori, P.O. Sankrail, Howrah -712302  | 75,000 sq. ft.   | Leased       | Lessee |
| 2.     | Mouza – Dulfa, J.L. No. 155, appertaining to R.S. Khatian No. 41, under R.S. Dag No. 75, L.R. Dag No. 148, P.S. Gurap, District – Hooghly           | 318 Decimal      | Leased       | Lessee |
| 3.     | District of Burdwan, P.S. Baraboni, Sub-Division and Addl. Dist. Sub Registry Office Asansol, Mouza, Majiara, J. L. No. 43.                         | 1,00,284 sq. ft. | Leased       | Lessee |
| 4.     | Plot No. R. S. 471/894, 471, L.R. 3, comprised in Khatian No. R.S. 42, L.R. 11, 12, under Mouza- Dabgram, J.L. No. 2, G.P., Sheet No. R.S. 11, L.R. | 84 Katha         | Leased       | Lessee |





|    |   |           |       |       |
|----|---|-----------|-------|-------|
|    | 107, P.S. Bhaktinagar, District-Jalpaiguri, West Bengal                                     |           |       |       |
| 5. | 90, Phears Lane, Unit No. 604, 6th floor PS- Bowbazar, Kolkata - 700012, West Bengal, India | 459 Sq.ft | Owned | Owned |

### INTELLECTUAL PROPERTY

| Sr No. | Original Trademark Name   | Filed Trademark Name                                   | Application No. | Application Date | Class | Current Status |
|--------|---|--|-----------------|------------------|-------|----------------|
| 1      |    | LABEL AMERICAN CHEESE                                  | 5505179         | 27-Jun-22        | 30    | Under process  |
| 2      |   | LABEL ANNAPURNA SWADISHT With Tagline Happy munch time | 5510638         | 29-Jun-22        | 30    | Under process  |
| 3      |  | LABEL BACHPAN KA PYAAR                                 | 5505149         | 27-Jun-22        | 30    | Under process  |
| 4      |  | LABEL BALLOON  | 5505142         | 27-Jun-22        | 30    | Under process  |

| Sr No. | Original Trademark Name   | Filed Trademark Name                           | Application No. | Application Date | Class | Current Status |
|--------|---|--|-----------------|------------------|-------|----------------|
| 5      |    | LABEL<br>CHATPATA<br>MOON                      | 5505141         | 27-Jun-22        | 30    | Under process  |
| 6      |    | LABEL<br>CHOCOLATE<br>FLAVOURED<br>SLICED CAKE | 5510645         | 29-Jun-22        | 30    | Under process  |
| 7      |   | LABEL<br>COCONUT<br>CRUNCH                     | 5510649         | 29-Jun-22        | 30    | Under process  |
| 8      |  | LABEL<br>COFFICO                               | 5510651         | 29-Jun-22        | 30    | Under process  |
| 9      |  | LABEL CREAM<br>FILLED CAKE<br>CHOCOLATE        | 5510643         | 29-Jun-22        | 30    | Under process  |





| Sr No. | Original Trademark Name   | Filed Trademark Name              | Application No. | Application Date | Class | Current Status |
|--------|---|-----------------------------------|-----------------|------------------|-------|----------------|
| 10     |    | LABEL CREAM FILLED CAKE LITCHI    | 5510640         | 29-Jun-22        | 30    | Under process  |
| 11     |    | LABEL CREAM FILLED CAKE MIX FRUIT | 5510641         | 29-Jun-22        | 30    | Under process  |
| 12     |   | LABEL CREAM FILLED CAKE ORANGE    | 5510642         | 29-Jun-22        | 30    | Under process  |
| 13     |  | LABEL CREAM FILLED CAKE VANILLA   | 5510639         | 29-Jun-22        | 30    | Under process  |
| 14     |  | LABEL CRISPY DIET CHIDWA          | 5505182         | 27-Jun-22        | 30    | Under process  |




| Sr No. | Original Trademark Name   | Filed Trademark Name           | Application No. | Application Date | Class | Current Status |
|--------|---|--------------------------------|-----------------|------------------|-------|----------------|
| 15     |    | LABEL<br>DHAMAKA               | 5505145         | 27-Jun-22        | 30    | Under process  |
| 16     |    | LABEL FINGER                   | 5505151         | 27-Jun-22        | 30    | Under process  |
| 17     |   | LABEL GRAM<br>BADAM<br>POKORA  | 5505184         | 27-Jun-22        | 30    | Under process  |
| 18     |  | LABEL GRAM<br>BHAWNAGRI<br>SEV | 5505183         | 27-Jun-22        | 30    | Under process  |
| 19     |  | LABEL GRAM<br>CHANA JOR        | 5505181         | 27-Jun-22        | 30    | Under process  |



| Sr No. | Original Trademark Name   | Filed Trademark Name    | Application No. | Application Date | Class | Current Status |
|--------|---|-------------------------|-----------------|------------------|-------|----------------|
| 20     |    | LABEL GRAM GATHIYA      | 5505180         | 27-Jun-22        | 30    | Under process  |
| 21     |    | LABEL GRAM MASALA MURI  | 5505185         | 27-Jun-22        | 30    | Under process  |
| 22     |   | LABEL IMLY POP          | 5510648         | 29-Jun-22        | 30    | Under process  |
| 23     |  | LABEL JACKPOT           | 5505140         | 27-Jun-22        | 30    | Under process  |
| 24     |  | LABEL JUNGLE ADVENTURES | 5505147         | 27-Jun-22        | 30    | Under process  |

| Sr No. | Original Trademark Name   | Filed Trademark Name | Application No. | Application Date | Class | Current Status |
|--------|---|----------------------|-----------------|------------------|-------|----------------|
| 25     |    | LABEL KAJU CANDY     | 5510650         | 29-Jun-22        | 30    | Under process  |
| 26     |    | LABEL KURCHURE       | 5505150         | 27-Jun-22        | 30    | Under process  |
| 27     |   | LABEL MAKEUP BOX     | 5505144         | 27-Jun-22        | 30    | Under process  |
| 28     |  | LABEL MALAI POP      | 5510647         | 29-Jun-22        | 30    | Under process  |
| 29     |  | LABEL MASALA TEEKHA  | 5505175         | 27-Jun-22        | 30    | Under process  |

| Sr No. | Original Trademark Name   | Filed Trademark Name             | Application No. | Application Date | Class | Current Status |
|--------|---|----------------------------------|-----------------|------------------|-------|----------------|
| 30     |    | LABEL MIXED FRUIT FLAVOURED CAKE | 5510644         | 29-Jun-22        | 30    | Under process  |
| 31     |    | LABEL PAPRIKA SPICES             | 5505177         | 27-Jun-22        | 30    | Under process  |
| 32     |   | LABEL PHOOCHKA                   | 5505146         | 27-Jun-22        | 30    | Under process  |
| 33     |  | LABEL PLUSS                      | 5510646         | 29-Jun-22        | 30    | Under process  |
| 34     |  | LABEL RAMBO                      | 5505143         | 27-Jun-22        | 30    | Under process  |

| Sr No. | Original Trademark Name  | Filed Trademark Name   | Application No. | Application Date | Class | Current Status |
|--------|--|------------------------|-----------------|------------------|-------|----------------|
| 35     |   | LABEL RINGA            | 5505148         | 27-Jun-22        | 30    | Under process  |
| 36     |   | LABEL SALTED CHIPS     | 5505176         | 27-Jun-22        | 30    | Under process  |
| 37     |  | LABEL TOMATINA CLASSIC | 5505178         | 27-Jun-22        | 30    | Under process  |

## KEY REGULATIONS AND POLICIES IN INDIA

*The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company.*

*The information detailed in this chapter, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies, as amended, and are subject to future amendments, changes and/or modifications. The information detailed in this chapter has been obtained from sources available in the public domain. The regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

*Taxation statutes such as the Income Tax Act, 1961, the relevant goods and services tax legislation and applicable shops and establishments' statutes apply to us as it does to any other company. For details of government approvals obtained by our Company, see "Government and Other Approvals" on page 186.*

### **Industry Specific Regulations**

#### ***The Food Safety and Standards Act, 2006 ("FSSA") and the regulations framed thereunder***

The FSSA was enacted on August 23, 2006 repealing and replacing the Prevention of Food Adulteration Act, 1954. The FSSA pursues to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India ("FSSAI") for laying down scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption, and for matters connected therewith or incidental thereto. The standards prescribed by the FSSAI include specifications for food additives, flavourings, processing aids and materials in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. Under the provisions of the FSSA, no person may carry on any food business except under a license granted by the FSSAI. The FSSA sets forth the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators.

In exercise of powers under the FSSA, the FSSAI has also framed the Food Safety and Standards Rules, 2011 ("FSSR"). The FSSR sets out the enforcement structure of 'commissioner of food safety', 'the food safety officer' and 'the food analyst' and procedures of taking extracts, seizure, sampling and analysis. The FSSA also lays down penalties for various offences, including recall procedures. The Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 provides for the conditions and procedures for registration and licensing process for food business and lays down general requirements to be fulfilled by various food business operators ("FBOs"), including petty FBOs as well as specific requirements to be fulfilled by businesses dealing with certain food products.

In terms of the Food Safety and Standards (Food Recall Procedure) Regulations, 2017, every FBO engaged in manufacture, importation or wholesale supply 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 pre-packaged 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 e-commerce, 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.

#### ***Legal Metrology Act, 2009 ("Legal Metrology Act")***

The Legal Metrology Act came into effect on January 13, 2010 and has repealed and replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act provides that for prescribed specifications for all weights and measures used by an entity to be based on metric system based on the international system of units only.

#### ***Legal Metrology (Packaged Commodities) Amendment Rules, 2017 ("Packaged Commodity Rules")***

The Packaged Commodity Rules have amended the Legal metrology (Packaged Commodities) Rules, 2011, and lays down specific provisions applicable to packages intended for retail sale, whole-sale and for export and import. Pursuant to the

packaged Commodity Rules, any pre-packaged commodity sold for use and consumption by the citizens must properly mention several details such as, the description and quantity of ingredients, date of manufacturing, date of expiry (for items prone to expiration), weight, statutory warnings, manufacturer address, contact and some other info like consumer care details, country of origin, etc.

### ***Bureau of Indian Standards Act, 1986 (the “BIS Act”)***

The BIS Act provides for the establishment of a bureau for the standardisation, marking and quality certification of goods. The BIS Act provides for the functions of the Bureau of Indian Standards which includes, among others (a) recognize as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specify a standard mark to be called the, Bureau of Indian Standards Certification Mark, which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) make such inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

### ***Consumer Protection Act, 2019 (“CPA”) and rules framed thereunder***

The CPA, which repeals the Consumer Protection Act, 1986, was enacted to provide simpler and quicker access to redress consumer grievances. It seeks to protect and promote the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. Further, the definition of “consumer” has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by tele-shopping, or direct-selling or multi-level marketing.

In line with the CPA, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) which provides a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce.

### ***Sale of Goods Act, 1930 (the “Sale of Goods Act”)***

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of 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 the 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 sale of goods.

### ***The Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder***

The IT Act seeks to: (i) provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”, involving use of alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. The IT Act also facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and subjects us to civil liability for failure to protect sensitive personal data.

### ***Labour Law Legislations***

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee’s State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970, the Shops and Establishments Act, 1953, the Maternity Benefit Act, 1961 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

- (a) ***Code on Wages, 2019***, which regulates and amalgamates wage and bonus payments and subsumes 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. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

- (b) **Industrial Relations Code, 2020**, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.
- (c) **Code on Social Security, 2020**, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.
- (d) **The Occupational Safety, Health and Working Conditions Code, 2020**, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020. These provisions of these codes shall become effective on the day that the Government shall notify for this purpose.

### ***Factories Act, 1948 (the "Factories Act")***

The Factories Act defines a "factory" to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, even while there may not be an electrically aided manufacturing process being carried on. State Governments have the authority to formulate rules in respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. It provides such safeguards of workers in the factories as well as offers protection to the exploited workers and improve their working conditions.

### ***Shops and Establishments Acts of various States***

Under the provisions of local shops and establishments legislations applicable in the states in which such establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our offices, stores, warehouses and distribution centres have to be registered under the shops and establishments legislations of the states where they are located.

### ***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.

### ***Intellectual Property***

Certain laws relating to intellectual property rights applicable to us are as follows:

#### ***The Trade Marks Act, 1999 ("Trade Marks Act")***

The Trade Marks Act governs the law pertaining to the protection of trademarks in India. It provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. Once a mark is registered, it is valid in India only for a period of 10 years and can be renewed from time to time in perpetuity. The Trade Marks Act also prohibits any registration of deceptively similar trademarks or compounds, among others. It also provides for infringement, falsifying and falsely applying for trademarks.

### ***The Copyright Act, 1957 (“Copyright Act”)***

The Copyright Act serves to create property rights for certain kinds of intellectual property, generally called works of authorship. The intellectual property protected under the Copyright Act includes copyrights subsisting in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programmes, tables and compilations including computer databases. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as prima facie evidence of the particulars entered therein and may help expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire and issuing of copies to the public, among others, without consent of the owner of the copyright are acts which expressly amount to an infringement of copyright.

### ***Environmental Laws***

#### ***The Environment (Protection) Act, 1986 (“EPA”)***

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. The EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. Penalties for violation of the EPA include fines up to ₹100,000 or imprisonment of up to five years, or both.

#### ***Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)***

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the relevant state pollution control boards. Under the Water Act, any individual, industry or institution discharging industrial or domestic waste into water 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 (“Air Act”)***

Under the Air Act, the relevant state pollution control board may inspect any industrial plant or manufacturing process and give orders, as it may deem fit, for the prevention, control and abatement of air pollution. Further, industrial plants and manufacturing processes are required to adhere to the standards for emission of air pollutants laid down by the relevant state pollution control board, in consultation with the Central Pollution Control Board. The relevant state pollution control board is also empowered to declare air pollution control areas. Additionally, consent of the state pollution control board is required prior to establishing and operating an industrial plant. The consent by the state pollution control board may contain provisions regarding installation of pollution control equipment and the quantity of emissions permitted at the industrial plant.

#### ***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016***

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, requires that every occupier of a facility who is engaged in handling of ‘hazardous waste’ and other wastes to obtain an authorization from the respective pollution control board. It places an obligation on the occupier to prevent, minimize, reuse, recycle, recover, utilize including co-processing, and safe disposal of the waste. It also makes the occupier responsible for safe and environmentally sound management of hazardous and other wastes. It makes the occupier liable for damages caused to environment or third parties. It also prescribes financial penalties for violation of provisions of the rules.

### ***Foreign Investment Regulations***

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 (“**FEMA**”) along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy (“**FDI Policy**”) issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time. Under the current FDI Policy (effective from October 15, 2020), foreign direct investment in companies engaged in the manufacturing sector is permitted up to 100% of the paid-up share capital of such company under the automatic route, i.e. without requiring prior government approval, subject to compliance with certain prescribed pricing guidelines and reporting requirements.





***Other laws***

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, tax related legislations and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations.

*This space has been left blank intentionally.*



## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### HISTORY OF OUR COMPANY

Our Company was incorporated as a private limited company under the Companies Act, 2013 in the name and style of “Annapurna Swadisht Private Limited” bearing Registration Number 251553 dated February 11, 2022 upon conversion of the partnership firm namely Annapurna Agro Industries, under part 1 of Chapter XXI of the Companies Act, 2013, issued by the Registrar of Companies, Central Registration Centre, Delhi. Subsequently, our Company was converted into public limited company pursuant to a shareholders’ resolution passed at an Extra-Ordinary General Meeting held on June 28, 2022, and name of our Company was changed to “Annapurna Swadisht Limited” and a fresh Certificate of Incorporation dated July 8, 2022 was issued by Registrar of Companies, West Bengal. As on date of this Draft Red Herring Prospectus the Corporate Identification Number of our Company is U15133WB2022PLC251553.

Our promoters Mr. Ritesh Shaw and Mr. Shreeram Bagla were under taking the business of snacks and food products in the Annapurna Agro Industries. The firm was incorporated in the year 2015, and over the years, it is being able to established itself as a brand name in the Eastern India.

Our Company is manufacturer of snacks and food products, namely, Gohona Bori, Fryums, cakes, candies and namkeen and chips. Our key raw materials include refined flour, palm oil, spices and laminates. Our Company use raw material of premium quality sourced from reputed local suppliers, which help us to ensure the quality of our products.

Currently, our company has a two manufacturing unit, located at:

- a. **Asansol Unit:** Girmint road, Majiara, Plot J.L 43, Paschim Burdwan, Asansol, West Bengal - 713301, India.
- b. **Siliguri Unit:** Plot No. RS 471/894, 471, Block - Rajganj, Gram Panchayat - Dabgram II, Mouza - Dabgram, P.S. Bhaktinagar, Vill. & Para - North Shantinagar, Jalpaiguri, West Bengal – 735135, India.

Our units are well equipped with machineries and other handling equipment to facilitate smooth manufacturing process. Along with this, the units also have an in-house laboratory for testing the quality of products.

Annapurna Swadisht has diversified its food products towards manufacturing of various snacks items from amazing fryums to spicy snacks. Our Company targets the rural market of East India and have plans to expand it capacity to the whole nation. The products are named in such a way which will be appealing to the younger group of the society.

### CHANGES IN OUR REGISTERED OFFICE

Since incorporation of our Company, there is no change in the Registered Office of the Company.

Presently, the Registered Office of the Company is situated at 90, Phears Lane, Unit No. 604, 6th floor PS- Bowbazar, Kolkata – 700012, West Bengal.

### MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company as per the Object Clause of Memorandum of Association of the Company are as under:

1. To takeover as a going concern the business now being carried on by M/s. Annapurna Agro Industries, a partnership firm having its registered office at 90 Phear Lane, Flat No. 604, 6th floor, P.S Bowbazar, Kolkata - 700012, along with all its assets, liabilities, rights, licenses, obligations and entitlements including properties.
2. To undertake business of manufacturing, processing, preparing, preserving, refining, buying, selling, importing, exporting and otherwise dealing in any manner in all type of food and food related products including extruded foods and cereals, frozen foods whether processed or non-processed, spices, masala, beverages, dairy products, milk products, convenience foods and processed foods of all kind and every description and providing incidental and ancillary services in relation thereto, and to act as buyer, seller, stockiest, distributors, importer, exporter, or



otherwise to deal in all types of extruded foods and cereals, food grains, commodities, vegetables, fruits, edibles, vegetarian and non-vegetarian food products and similar goods and to establish, promote, develop, manage multiple brands, trade name and trademarks in relation to the business of the Company for dealing in food articles and food products, and for such purpose to act as a brand owner, licensee, franchisee, representative or distributor and/or otherwise and to deal in all types of foods items including protein foods, agro foods, packed foods, poultry products, sea foods, milk foods, health and diet drinks, extruded foods, frozen foods, dehydrated foods, precooked foods, canned foods, preserved foods, and all types of bakery products and confectionery items and any other food products in and outside India.

#### **AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:**

Since incorporation, there has been following amendment made to the MoA of our Company:

| <b>Date of Amendment</b> | <b>Particulars of Amendment</b>   |
|--------------------------|---|
| February 11, 2022        | Incorporation of the Company upon conversion of the partnership firm namely, M/s. Annapurna Agro Industries, into a private limited company                                     |
| March 14, 2022           | Increase in Authorised share capital from ₹10 Lakhs to ₹1,500 Lakhs   |
| March 14, 2022           | Alteration Capital Clause of the Memorandum of Association of the Company   |
| June 28, 2022            | Conversion of private limited company to public limited company   |
| June 28, 2022            | Increase in Authorised share capital from ₹1,500 Lakhs to ₹1,600 Lakhs  |
| July 8, 2022             | Change in status of the Company from Private Limited to Public Limited and consequent change of name from “Annapurna Swadisht Private Limited” to “Annapurna Swadisht Limited”. |
| July 9, 2022             | Increase in Authorised share capital from ₹1,600 Lakhs to ₹1,700 Lakhs  |

#### **KEY EVENTS AND MILESTONES:**

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

| <b>YEAR</b> | <b>PARTICULARS</b>  |
|-------------|---|
| 2022        | Incorporation of our Company upon conversion of the partnership firm namely, M/s. Annapurna Agro Industries |
| 2022        | Change in status of the Company from Private Limited to Public Limited                                      |

#### **DETAILS OF BUSINESS OF OUR COMPANY**

For details on the description of Our Company’s activity, business model, marketing strategy, strength, completion of business, please see “Our Business”, “Management Discussion and Analysis of Financial Conditions” and “Basis for Issue Price” on paged 86, 172 and 74 of this Draft Red Herring Prospectus respectively.

#### **HOLDING COMPANY OF OUR COMPANY**

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

#### **SUBSIDIARY COMPANY OF OUR COMPANY**

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

#### **OTHER DECLARATIONS AND DISCLOSURES**

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has received a notice for



striking off its name from the relevant Registrar of Companies.

## **FUND RAISING THROUGH EQUITY OR DEBT**

For details in relation to our fund raising activities through equity and debt, please refer to the chapters titled “*Capital Structure*” beginning on page 54 respectively, of this Draft Red Herring Prospectus.

## **REVALUATION OF ASSETS**

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

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT**

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

## **INJUNCTIONS OR RESTRAINING ORDERS**

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

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS**

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

## **STRIKES AND LOCK-OUTS**

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

## **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

As on the date of this Draft Red Herring Prospectus, there have been no time and cost over runs in any of the projects undertaken by our Company.

## **SHAREHOLDERS’ AGREEMENT**

Our Company does not have any subsisting shareholders’ agreement as on the date of this Draft Red Herring Prospectus.

## **OTHER AGREEMENTS**

As on the date of this Draft Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Draft Red Herring Prospectus.

## **STRATEGIC PARTNERS**

Our Company does not have any strategic partner(s) as on the date of this Draft Red Herring Prospectus.

## **FINANCIAL PARTNERS**



As on the date of this Draft Red Herring Prospectus, our Company does not have any financial partners.

#### **ACQUISITION OF BUSINESS/UNDERTAKINGS**

There is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company and we have not acquired a business undertaking in past years.

#### **DIVESTMENT OF BUSINESS/UNDERTAKING BY COMPANY IN THE SINCE INCEPTION YEARS**

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

#### **NUMBER OF SHAREHOLDER OF OUR COMPANY**

Our Company has 48 (Forty-Eight) shareholders as on date of this Draft Red Herring Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled “Capital Structure” beginning on page 54 of this Draft Red Herring Prospectus.

#### **DETAILS OF PAST PERFORMANCE**

For details of Change of management, please see chapter titled –“*Our Business and Our History and Certain Corporate Matters*” on page 86 and 114 respectively of this Draft Red Herring Prospectus.

#### **DETAILS OF FINANCIAL PERFORMANCE**

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled – *Restated Financial Statements* beginning on page 140 of this Draft Red Herring Prospectus.

#### **COLLABORATION AGREEMENT**

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

## OUR MANAGEMENT

### BOARD OF DIRECTORS

*As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on its Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Draft Red Herring Prospectus, our Board consists of 6 (Six) Directors, out of which 3 (Three) are Executive Directors, 3 (Three) are Non-Executive Independent Directors. Mr. Shreeram Bagla is the Managing Director of our Company.*

| S.N. | Name               | DIN      | Category      | Designation          |
|------|--------------------|----------|---------------|----------------------|
| 1.   | Mr. Shreeram Bagla | 01895499 | Executive     | Managing Director    |
| 2.   | Mr. Sumit Sengupta | 09184493 | Executive     | Whole-time Director  |
| 3.   | Mr. Rajesh Shaw    | 09647878 | Executive     | Whole-time Director  |
| 4.   | Mr. Chandan Ghosh  | 09638482 | Non-Executive | Independent Director |
| 5.   | Mr. Sandip Maiti   | 00241444 | Non-Executive | Independent Director |
| 6.   | Mrs. Hitu Mahajan  | 07043618 | Non-Executive | Independent Director |

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Red Herring Prospectus:

| S. No. | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term   | Age | Other Directorship  |
|--------|---|-----|---|
| 1      | <p><b>Shreeram Bagla</b></p> <p><i>Designation:</i> Managing Director</p> <p><i>Address:</i> CF-72, Sector 1, Saltlake, BNCC Block, Bidhannagar(M), North 24 Paraganas, West Bengal- 700064</p> <p><i>Date of Birth:</i> 18/08/1978</p> <p><i>Qualification:</i> B.Com</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> From 28/06/2022 to 27/06/2025</p> <p><i>Date of First Appointment:</i> 11/02/2022</p> <p><i>Date of Appointment as MD:</i> 28/06/2022</p> <p><i>DIN:</i> 01895499</p> | 43  | <p>1. Darsh Advisory Private Limited</p> <p>2. Annapurna Snacks Private Limited</p> |

| S. No. | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term  | Age | Other Directorship                  |
|--------|--|-----|-------------------------------------|
| 2      | <p><b>Sumit Sengupta</b></p> <p><i>Designation:</i> Whole-Time Director</p> <p><i>Address:</i> MIG-Q-9, Niva Park, Phase-II, Brahmapur, Kolkata, West Bengal- 700096</p> <p><i>Date of Birth:</i> 05/08/1977</p> <p><i>Qualification:</i> Diploma in Civil Engineering</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> From 28/06/2022 to 27/06/2025</p> <p><i>Date of First Appointment:</i> 11/02/2022</p> <p><i>DIN:</i> 09184493</p>                                | 42  | 1. Annapurna Snacks Private Limited |
| 3      | <p><b>Rajesh Shaw</b></p> <p><i>Designation:</i> Whole- Time Director</p> <p><i>Address:</i> Flat No. 5D, 115A/1 N.S.C. Bose Road, Surya Residency, opp Shanti Nagar Playing Field, Regent Park, Kolkata, West Bengal- 700040</p> <p><i>Date of Birth:</i> 01/11/1970</p> <p><i>Qualification:</i> Cost Accountant</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> From 28/06/2022 to 27/06/2025</p> <p><i>Appointed on:</i> 28/06/2022</p> <p><i>DIN:</i> 09647878</p> | 52  | NIL                                 |
| 4      | <p><b>Chandan Ghosh</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> 2/1 Bose Para Road, Pura Barisha, Barisha, South 24 Parganas, West Bengal- 700008</p> <p><i>Date of Birth:</i> 30/10/1961</p> <p><i>Qualification:</i> B.Sc (Hons in Physics)</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> For a period of 5 years from 28/06/2022</p>  | 60  | NIL                                 |

| S. No. | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term  | Age | Other Directorship   |
|--------|--|-----|--|
|        | <p><b>Appointed on:</b> 28/06/2022</p> <p><b>DIN:</b> 09638482</p>   |     |  |
| 5      | <p><b>Sandip Maiti</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> Building No. 22, Flat No. 1202, Seawood Estates, Sector 54, 56, 58, Ph-1, Nerul, Navi Mumbai, Nerul Node-3, Thane, Maharashtra- 400706</p> <p><b>Date of Birth:</b> 21/04/1962</p> <p><b>Qualification:</b> Graduate</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> For a period of 5 years from 28/06/2022</p> <p><b>Appointed on:</b> 28/06/2022</p> <p><b>DIN:</b> 00241444</p> | 60  | 1. Minio Techonologies Pvt. Ltd.   |
| 6      | <p><b>Hitu Gambhir Mahajan</b></p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> Block-Nil, House 33B, 1<sup>st</sup> Floor, Malviya Nagar, Delhi-110017</p> <p><b>Date of Birth:</b> 13/01/1980</p> <p><b>Qualification:</b> Post Graduate Diploma in Advertising &amp; Marketing</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> For a period of 5 years from 28/06/2022</p> <p><b>Appointed on:</b> 28/06/2022</p> <p><b>DIN:</b> 07043618</p>        | 42  | 1. Takya Foods Private Limited<br>2. Soberbio Consulting Private Limited |

#### BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

**Mr. Shreeram Bagla**, aged 43 years, is Promoter cum Managing Director of our Company. He holds bachelor degree in commerce. He was named as first Director in the Articles of Association of the Company upon the conversion of the firm into the Company on February 11, 2022. Further, Mr. Shreeram Bagla was further designated as the Managing Director of the Company in the EGM held on 01/07/2022. He has an experience of around 10 years in our Industry. He is responsible for the expansion and overall management of the business of our Company. His abilities have been instrumental in leading the business of the Company.

**Mr. Sumit Sengupta**, aged 42 years, is Director of our Company. He holds Diploma in Civil Engineering from Acharya Prafulla Chandra Ray Polytechnic, Jadavpur University. He was named as first Director in the Articles of



Association of the Company upon the conversion of the firm into the Company on February 11, 2022. Mr. Sumit Sengupta was subsequently designated as the Whole- Time Director of the Company in the EGM held on 01/07/2022. He has an experience of more than 15 years working in different industries. He manages the entire production of our Company.

**Mr. Rajesh Shaw**, aged 52 years, is Whole Time Director of our Company. He is a member of the Institute of Cost and Work Accountants of India. He has over 30 years of experience in industry. Rajesh is spearheading the Company’s efforts in implementing an ERP CRM package. Rajesh’s last assignment was with ITC, where he spent 11 years as an SAP FICO Manager implementing the Finance Business process requirements and mapping them with the SAP R/3 system. Besides, he’s also worked with reputed companies, primarily as an IT process system professional.

**Mr. Chandan Ghosh**, aged 60 years, is an Independent Director of our Company. He holds bachelor degree in science and honours in physics. He is having experience of more than 30 years in the field food processing. Chandan has over 30 years of experience as strategic management professional and business growth leader. His last assignment was with Nestle.

**Mr. Sandip Maiti**, aged 60 years is an Independent Director of our Company. He is a graduate from Case Western Reserve University. His presence in the board bring independence in functioning and working of the Company beside worldwide experience. Sandip holds over 35 years of combined experience in Sales, Marketing & Product Development in the USA & India. A serial entrepreneur, Sandip spent over 15 years building and marketing control systems & E-business solutions in the USA. In the latter half of his career, Sandip got passionate about experience delivery in consumer businesses and co-founded Experience Commerce in 2006. Leading one of India’s top-tier digital business companies, he worked with leaders in the food and Alcho-Bev industry, namely - Britannia, MTR Foods, Fortune Foods, and Diageo, delivering award-winning community platforms and campaigns. Sandip is an alumnus of Institute of Technology Banaras Hindu University and Case Western Reserve University.

**Mrs. Hitu Gambhir Mahajan**, aged 42 years is an Independent Director of our Company. She holds a post graduate diploma degree in Advertising & Marketing from Institute from Media Studies and Information Technology. She is having more than 15 years of experience in marketing, sales, branding and advertising. She will support the board of directors in ensuring their marketing, sales, branding and advertising of the products and accounting. Her presence in the board bring independence in functioning and working of the Company.

**Note:**

*None of the above-mentioned Directors are on the RBI List of wilful defaulters as on the date of this Draft Red Herring Prospectus.*

- 1) *None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.*
- 2) *None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.*

**FAMILY RELATIONSHIP BETWEEN DIRECTORS**

Except as stated below, none of the Directors of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

| Sr. No. | Name of the Director | Relationship with other Director |
|---------|----------------------|----------------------------------|
|         |                      | Nil                              |

**Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension**

None of our Directors is / was a Director in any listed company during the last five years before the date of filing of this Draft Red Herring Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

**Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting**

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

**Details of arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.**

There are no arrangements or understandings with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.

**TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS**

*i. Executive Directors*

|  |                               |
|--|-------------------------------|
| <b>Name</b>                            | <b>Mr. Shreeram Bagla</b>     |
| <b>Designation</b>                     | Managing Director             |
| <b>Period</b>                          | From 28/06/2022 to 27/06/2025 |
| <b>Date of approval of shareholder</b> | 01/07/2022                    |
| <b>Remuneration</b>                    | ₹ 3,00,000/- Per Month        |
| <b>Perquisite</b>                      | Nil                           |

|  |                               |
|--|-------------------------------|
| <b>Name</b>                            | <b>Mr. Sumit Sengupta</b>     |
| <b>Designation</b>                     | Whole Time Director           |
| <b>Period</b>                          | From 28/06/2022 to 27/06/2025 |
| <b>Date of approval of shareholder</b> | 01/07/2022                    |
| <b>Remuneration</b>                    | ₹ 1,50,000/- Per Month        |
| <b>Perquisite</b>                      | Nil                           |

|  |                               |
|--|-------------------------------|
| <b>Name</b>                            | <b>Mr. Rajesh Shaw</b>        |
| <b>Designation</b>                     | Whole Time Director           |
| <b>Period</b>                          | From 28/06/2022 to 27/06/2025 |
| <b>Date of approval of shareholder</b> | 01/07/2022                    |
| <b>Remuneration</b>                    | ₹ 2,00,000/- Per Month        |
| <b>Perquisite</b>                      | Nil                           |

*ii. Non-Executive Directors*

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

**Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.**

**SHAREHOLDING OF DIRECTORS IN OUR COMPANY**

As per the Articles of Association of our Company, a Director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Directors | No. of Equity Shares held | % of pre-issue paid-up Equity Share capital in our Company |
|---------|-----------------------|---------------------------|--|
| 1.      | Shreeram Bagla        | 10,00,000                 | 8.67%  |

## INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to any body corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

### ***Interest in promotion of Our Company***

Except Promoters, none of our Directors have any interest in the promotion of our Company.

### ***Interest in the property of Our Company***

Our Directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Draft Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Draft Red Herring Prospectus. Our Directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

### ***Interest in the business of Our Company***

Save and except as stated otherwise in Related Party Transaction in the chapter titled Restated Financial Information beginning on page number 140 of this Draft Red Herring Prospectus, Our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

### ***Details of Service Contracts***

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

### **Bonus or Profit-Sharing Plan for the Directors**

There is no bonus or profit-sharing plan for the Directors of our Company.

### **Contingent and Deferred Compensation Payable to Directors**

No Director has received or is entitled to any contingent or deferred compensation.

### **Other Indirect Interest**

Except as stated in chapter titled – *Restated Financial Information* beginning on page 140 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

### **Borrowing Power of the Board**

The Board of Directors are vested with the power to borrow, pursuant to Section 179(3)(d) of Companies Act 2013. However, pursuant to Section 180(1)(c) Companies Act, 2013 and the rules made thereunder that any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), exceeds the aggregate of the paid-up capital of the Company and free reserve, the approval of shareholders’ by way of Special Resolution will be required. The company has passed a special resolution dated July 1, 2022, for approval of borrowing limits not exceeding ₹. 100 Crores.

### **Changes in The Board for the Last Three Years**

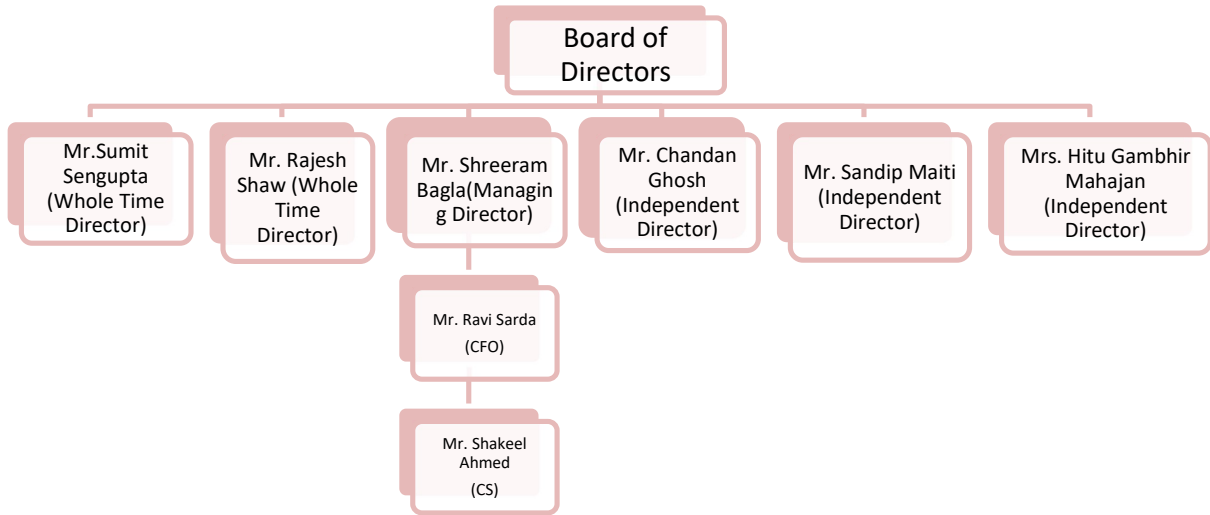
Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

| <b>Name of Director</b> | <b>Date of Event</b> | <b>Reason for Change</b>            |
|-------------------------|----------------------|-------------------------------------|
| Shreeram Bagla          | 28/06/2022           | Appointment as Managing Director    |
| Sumit Sengupta          | 28/06/2022           | Appointment as Whole- Time Director |
| Rajesh Shaw             | 28/06/2022           | Appointment as Whole- Time Director |
| Chandan Ghosh           | 28/06/2022           | Appointment as Independent Director |
| Sandip Maiti            | 28/06/2022           | Appointment as Independent Director |
| Hitu Gambhir Mahajan    | 28/06/2022           | Appointment as Independent Director |
| Nirmal Kumar Bhakat     | 01/07/2022           | Cessation from the post of Director |

### **Management Organization Structure**

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

Organizational Chart



## CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Draft Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

## AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated July 1, 2022 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Draft Red Herring Prospectus, the Audit Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship             |
|----------------------|------------------------------|------------------------------------|
| Hitu Gambhir Mahajan | Chairperson                  | Non-Executive Independent Director |
| Chandan Ghosh        | Member                       | Non-Executive Independent Director |
| Shreeram Bagla       | Member                       | Managing Director                  |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

### **The scope of Audit Committee shall include but shall not be restricted to the following:**

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure

- that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
  3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
  4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
    - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
    - b. Changes, if any, in accounting policies and practices and reasons for the same.
    - c. Major accounting entries involving estimates based on the exercise of judgment by management.
    - d. Significant adjustments made in the financial statements arising out of audit findings.
    - e. Compliance with listing and other legal requirements relating to financial statements.
    - f. Disclosure of any related party transactions.
    - g. Qualifications in the draft audit report.
  5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
  8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
  9. Scrutiny of inter-corporate loans and investments.
  10. Valuation of undertakings or assets of the Company, wherever it is necessary.
  11. Evaluation of internal financial controls and risk management systems.
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  14. Discussion with internal auditors on any significant findings and follow up thereon.
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
  18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
  19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

**The Audit Committee enjoys following powers:**

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

**The Audit Committee shall mandatorily review the following information:**

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee shall meet at-least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on July 1, 2022. As on the date of this Draft Red Herring 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>      |
|-----------------------------|-------------------------------------|------------------------------------|
| Hitu Gambhir Mahajan        | Chairperson                         | Non-Executive Independent Director |
| Chandan Ghosh               | Member                              | Non-Executive Independent Director |
| Sandip Maiti                | Member                              | Non-Executive Independent Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria, laid down, and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at-least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on July 1, 2022. As on the date of this Draft Red Herring Prospectus the Stakeholders' Relationship Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship             |
|----------------------|------------------------------|------------------------------------|
| Hitu Gambhir Mahajan | Chairperson                  | Non-Executive Independent Director |
| Shreeram Bagla       | Member                       | Managing Director                  |
| Sumit Sengupta       | Member                       | Whole Time Director                |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Allotment and listing of our shares in future
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Stakeholders' Relationship Committee is required to meet at-least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

### Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

### KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

|   |   |
|---|---|
| <b>Name</b>                               | : <b>Mr. Shreeram Bagla</b>   |
| <b>Designation</b>                        | : Managing Director   |
| <b>Date of Appointment</b>                | : 28/06/2022  |
| <b>Expiration of Term</b>                 | : 27/06/2025  |
| <b>Qualification</b>                      | : Master in Economics   |
| <b>Previous Employment</b>                | : Not Applicable  |
| <b>Overall Experience</b>                 | : He is Promoter and Managing Director of our Company. He holds bachelor degree in commerce. He was named as first Director in the Articles of Association of the Company upon the conversion of the firm into the Company on February 11, 2022. Further, Mr. Shreeram Bagla was further designated as the Managing Director of the Company in the EGM held on 01/07/2022. He has an experience of around 10 years in our Industry. He is responsible for the expansion and overall management of the business of our Company. His abilities have been instrumental in leading the business of the Company. |
| <b>Remuneration paid in F.Y. 2020-21)</b> | : NIL   |



|   |   |   |
|---|---|---|
| <b>Name</b>                               | : | <b>Mr. Sumit Sengupta</b>   |
| <b>Designation</b>                        | : | Whole Time director   |
| <b>Date of Appointment</b>                | : | 28/06/2022  |
| <b>Period</b>                             | : | From 28/06/2022 to 27/06/2025   |
| <b>Qualification</b>                      | : | Diploma in Civil Engineering  |
| <b>Previous Employment</b>                | : | Not Applicable  |
| <b>Overall Experience</b>                 | : | He is a Whole Time Director of our Company. He holds Diploma in Civil Engineering from Acharya Prafulla Chandra Ray Polytechnic, Jadavpur University. He was named as first Director in the Articles of Association of the Company upon the conversion of the firm into the Company on February 11, 2022. Mr. Sumit Sengupta was subsequently designated as the Whole- Time Director of the Company in the EGM held on 01/07/2022. He has an experience of more than 15 years working in different industries. He manages the entire production of our Company. |
| <b>Remuneration paid in F.Y. 2020-21)</b> | : | NIL   |

|   |   |  |
|---|---|--|
| <b>Name</b>                               | : | <b>Mr. Rajesh Shaw</b>   |
| <b>Designation</b>                        | : | Whole Time director  |
| <b>Date of Appointment</b>                | : | 28/06/2022   |
| <b>Period</b>                             | : | From 28/06/2022 to 27/06/2025  |
| <b>Qualification</b>                      | : | Cost Accountant  |
| <b>Previous Employment</b>                | : | Not Applicable   |
| <b>Overall Experience</b>                 | : | He is a Whole Time Director of our Company. He is member of the Institute of Cost and Work Accountants of India. He has over 30 years of experience in industry. Rajesh is spearheading the Company's efforts in implementing an ERP CRM package. Rajesh's last assignment was with ITC, where he spent 11 years as an SAP FICO Manager implementing the Finance Business process requirements and mapping them with the SAP R/3 system. Besides, he's also worked with reputed companies, primarily as an IT process systems professional |
| <b>Remuneration paid in F.Y. 2020-21)</b> | : | NIL  |

|   |   |   |
|---|---|---|
| <b>Name</b>                               | : | <b>Mr. Ravi Sarda</b>   |
| <b>Designation</b>                        | : | Chief Financial Officer   |
| <b>Date of Appointment</b>                | : | 01/07/2022  |
| <b>Qualification</b>                      | : | Chartered Accountant & Company Secretary  |
| <b>Previous Employment</b>                | : | N. A  |
| <b>Overall Experience</b>                 | : | He is the Chief Financial Officer of the company. He has vast experience of more than 15 years. He is responsible for the work relates to Accounting, Finance, Taxation and Banking field of our Company. |
| <b>Remuneration paid in F.Y. 2020-21)</b> | : | Mr. Ravi Sarda is appointed as Chief Financial Officer with effect from June 28, 2022. Therefore, He has not received any remuneration in the F.Y 2020-21.  |

|   |   |   |
|---|---|---|
| <b>Name</b>                               | : | <b>Mr. Shakeel Ahmed</b>  |
| <b>Designation</b>                        | : | Company Secretary & Compliance Officer  |
| <b>Date of Appointment</b>                | : | July 1, 2022  |
| <b>Qualification</b>                      | : | Company Secretary   |
| <b>Previous Employment</b>                | : | N. A  |
| <b>Overall Experience</b>                 | : | He is Company Secretary and Compliance Officer of our company, who is appointed on July 1, 2022, having more than 5 years of experience in the company. |
| <b>Remuneration paid in F.Y. 2020-21)</b> | : | Mr. Shakeel Ahmed appointed as Company Secretary on July 1, 2022. Therefore, He has not received any remuneration in the F.Y 2020-21.                   |

**Notes:**

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel was selected as a director or member of senior management.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they abide by their terms of appointments.

**Family Relationship Between Key Managerial Personnel**

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

| Sr. No.    | Name of the KMP | Relationship with other KMP |
|------------|-----------------|-----------------------------|
| <i>Nil</i> |                 |                             |

**Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel**

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

**Contingent and Deferred Compensation Payable to Key Managerial Personnel**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

**Shareholding of the Key Managerial Personnel**

Except Mr. Shreeram Bagla who is holding 10,00,000 Equity Shares of the Company none of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

**Interest of Key Managerial Personnel**

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

**Changes in Our Company’s Key Managerial Personnel During the last three Years**

Following have been the changes in the Key Managerial Personnel during the last three years:

| Sr. No. | Name of Director | Date of Joining | Reason for Change   |
|---------|------------------|-----------------|---|
| 1       | Shreeram Bagla   | 28/06/2022      | Change in Designation from Director to Managing Director    |
| 2       | Sumit Sengupta   | 28/06/2022      | Change in Designation from Director to Whole- Time Director |
| 3       | Rajesh Shaw      | 28/06/2022      | Appointment as Whole-Time Director                          |
| 4       | Ravi Sarda       | 01/07/2022      | Appointment as Chief Financial Officer                      |
| 5       | Shakeel Ahmed    | 01/07/2022      | Appointment as Company Secretary                            |

*Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.*

**Scheme of Employee Stock Options or Employee Stock Purchase**



Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

#### **Loans to Key Managerial Personnel**

There are no loans outstanding against the key managerial personnel other than the loan mentioned in the chapter - Restated Financial statement page no. 140.

#### **Payment of Benefits To Officers of Our Company (Non-Salary Related)**

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled "*Financial Information*" and the chapter titled "*Our Business*" beginning on pages 140 and 86 of this Draft Red Herring Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/give such benefit to any officer as on the date of this Draft Red Herring Prospectus.

#### **RETIREMENT BENEFITS**

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

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## OUR PROMOTERS AND PROMOTER GROUP

### OUR INDIVIDUAL PROMOTER


1. Mr. Shreeram Bagla
2. Mr. Ritesh Shaw

### DETAILS OF OUR INDIVIDUAL PROMOTER

#### 1. Shreeram Bagla

|  | <p><b>Mr. Shreeram Bagla</b>, aged 43 years, is a Promoter and Managing Director of our Company. He holds bachelor degree in commerce. He was originally appointed on the Board on February 11, 2022 as the Director of the Company after the conversion of the firm into the Company. He has an experience of around 10 years in our Industry. He is responsible for the expansion and overall management of the business of our Company. His abilities have been instrumental in leading the business of the Company.</p> |
|---|---|
| Particulars   | Details   |
| Permanent Account Number  | AGPPB2841R  |
| Passport No.  | P4678955  |
| Aadhar No.  | 8584-7712-8400  |
| Bank Account Details  | ICICI Bank<br>Saltlake City Branch<br>A/c No. 695005600234  |

#### 2. Ritesh Shaw

|  | <p><b>Mr. Ritesh Shaw</b>, aged 45 years, is a promoter of our Company. He is a Chartered Accountant by profession and having over 20 years of expertise in setting up and managing large industrial operations. He has played a key role in identifying the Company's growth prospects and developing strategies to achieve them.</p> |
|---|--|
| Particulars   | Details  |
| Permanent Account Number  | AQBPS4390L   |
| Passport No.  | N9284810   |
| Aadhar No.  | 6664-0922-6865   |
| Bank Account Details  | HDFC Bank Limited<br>Savings Bank A/c No. 03341930003038<br>Tollygunge Branch<br>63 NSC Bose Road, Tollygunge,<br>Kolkata - 700040<br>IFSC - HDFC0000334   |

### OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of SEBI (ICDR) Regulations includes the following persons:

**a) Individual Promoter**

The natural persons who are part of our Promoter Group (due to the relationship with our Promoter), other than the Promoter named above are as follows:

| Sr. No. | Relationship   | Shreeram Bagla           | Ritesh Shaw       |
|---------|----------------|--------------------------|-------------------|
| 1.      | Father         | Late. Bharat Kumar Bagla | Vijay Kumar Shaw  |
| 2.      | Mother         | Late. Urmila Devi Bagla  | Mina Shaw         |
| 3.      | Spouse         | Neha Bagla               | Rachna Suman Shaw |
| 4.      | Brother        | -                        | Rajesh Shaw       |
| 5.      | Sister         | Shreejee Bajaj           | -                 |
|         |                | Meenakshi Shah           |                   |
| 6.      | Son            | -                        | Darsh Shaw        |
| 7.      | Daughter       | Saanvi Bagla             | -                 |
|         |                | Aanya Bagla              |                   |
| 8.      | Spouse Father  | Puran Mall Agarwal       | Gopal Pd Jaiswal  |
| 9.      | Spouse Mother  | Pushpa Devi Agarwal      | Sandhya Jaiswal   |
| 10.     | Spouse Brother | Ankush Agarwal           | Abhinaw Pankaj    |
| 11.     | Spouse Sister  | Isha Agarwal             | Rashmi Rekha      |
|         |                | Rushi Jindal             | Archana Kumari    |
|         |                | Anisha Agarwal           | Kirti Kiran       |

**b) Companies and proprietorship firms forming part of our Promoter Group are as follows:**

| Relationship with Promoter   | Individual Promoter              |                                |                                  |
|--|----------------------------------|--------------------------------|----------------------------------|
|  | Ritesh Shaw                      |                                | Shreeram Bagla                   |
| Any company in which 20% or more of the share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member | Annapurna Snacks Private Limited | Darsh Advisory Private Limited | Annapurna Snacks Private Limited |
|  | 5,000                            | 2,93,400                       | 5,000                            |
|  | 50%                              | 21.12%                         | 50%                              |
| Any company in which a company (mentioned above) holds 20% of the total holding  | N.A.                             |                                | N.A.                             |
| Any HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 20% of the total holding   | N.A.                             |                                | N.A.                             |

**OTHER UNDERTAKINGS AND CONFIRMATIONS**

Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the SME Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Draft Red Herring Prospectus.

Our Promoters have confirmed that they have not been identified as willful defaulters.

No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority



or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

## **COMMON PURSUITS OF OUR PROMOTERS**

None of the Promoter Group Entity is having business objects similar to our business as mentioned in the Chapter “Our Group Entities” beginning on page 135 of the Draft Red Herring Prospectus except the below mentioned Promoter Group Entities:

## **INTEREST OF THE PROMOTERS**

### ***Interest in the promotion of Our Company***

Our Promoters are Mr Ritesh Shaw and Mr. Shreeram Bagla. Our Promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, Our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either of them are interested as a director, member or partner.

### ***Interest in the property of Our Company***

Our Promoters do not have any interest in any property acquired by Our Company in last two years or proposed to be acquired by our Company.

### ***Interest as Member of our Company***

As on the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group together hold 85,15,000 Equity Shares of our Company and are therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company, our Promoters does not hold any other interest in our Company.

### ***Payment Amounts or Benefit to Our Promoters during the Last Two Years***

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Draft Red Herring Prospectus except as mentioned / referred to in this chapter and in the section titled ‘Our Management’, ‘Financial Statements’ and ‘Capital Structure’ on page 118, 140 and 54 respectively of this Draft Red Herring Prospectus. Further as on the date of this Draft Red Herring Prospectus, there is no bonus or profit sharing plan for our Promoters.

## **CONFIRMATIONS**

For details on litigations and disputes pending against the Promoters and defaults made by them including violations of securities laws, please refer to the section titled “Outstanding Litigation and Material Developments” on page 182 of this Draft Red Herring Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority.

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## Our Group Entities

Below mentioned are the details of Companies / Entities promoted by the Promoters of our Company. No equity shares of our group entities are listed on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years.

1. Annapurna Snacks Private Limited
2. Darsh Advisory Private Limited

### *Our Promoter Group Companies include:*

#### *1. Annapurna Snacks Private Limited*

#### *Corporate Information*

Annapurna Snacks Private Limited was incorporated on September 11, 2019 under Companies Act, 2013. The registered office of the company is situated at 135J, Netaji Subhas Chandra Bose Road, 1<sup>st</sup> Floor, Tollygunje, Kolkata-700040. The Corporate Identification Number is U15100WB2019PTC233878.

The Company was incorporated to carry the business of on in India and abroad manufacturing, preserving, reigning, packing, bottling, prepare, manipulate, treat, market, import, export, improve, produce, process, prepare, buy, sell, deal in and carry on the manufacturing and trading in processed foods, agro foods, fast foods, packed foods like fryums, chips, wafers, fingers, puffs, various namkeens and to run storage. However, there is no operation in the Company as on the date of filing of this Draft Red Herring Prospectus.

#### *Board of Directors*

The Directors of Annapurna Snacks Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

| <b>Name</b>         | <b>Designation</b> |
|---------------------|--------------------|
| Shreeram Bagla      | Director           |
| Sumit Sengupta      | Director           |
| Nirmal Kumar Bhakat | Director           |

#### *Shareholding Pattern*

The Shareholding Pattern of Annapurna Snacks Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

| <b>Name of shareholder</b> | <b>No. of shares</b> | <b>%</b>      |
|----------------------------|----------------------|---------------|
| Ritesh Shaw                | 5,000                | 50.00         |
| Shreeram Bagla             | 5,000                | 50.00         |
| <b>Total</b>               | <b>10,000</b>        | <b>100.00</b> |

#### *Financial Performance*

The Financial Performance of Annapurna Snacks Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

| <b>Particulars</b>                           | (Amount in Lakhs)     |                       |
|--|-----------------------|-----------------------|
|  | <b>March 31, 2020</b> | <b>March 31, 2021</b> |
| Equity capital                               | 1.00                  | 1.00                  |
| Reserves and surplus (excluding revaluation) | (3.42)                | (3.56)                |
| Total Income                                 | -                     | -                     |
| Profit/(Loss) after tax                      | (3.42)                | (0.14)                |
| Earnings per share (₹) (Basic)               | (34.15)               | (1.43)                |
| Earnings per share (₹) (Diluted)             | (34.15)               | (1.43)                |
| Net Worth                                    | (2.42)                | (2.56)                |
| Net asset value per share (₹)                | 1.85                  | 1.84                  |

### **Other Group Entities**

The details of our Group entities are provided below:

#### **1. Darsh Advisory Private Limited**

##### **Corporate Information**

Darsh Advisory Private Limited was incorporated on March 21, 1988 under Companies Act, 1956. The registered office of the company is situated at 135J, N.S.C. Road, Kolkata-700040. The Corporate Identification Number is U65993WB1988PTC043979.

The Company is engaged in consultancy business namely financial, management, administrative, secretarial, commercial, legal. It acts as dealers in shares, stocks etc, portfolio investment in equity shares, stocks etc.

##### **Board of Directors**

The Directors of Darsh Advisory Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

| <b>Name</b>         | <b>Designation</b> |
|---------------------|--------------------|
| Shreeram Bagla      | Director           |
| Nirmal Kumar Bhakat | Director           |

##### **Shareholding Pattern**

The Shareholding Pattern of Darsh Advisory Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

| <b>Name of shareholder</b> | <b>No. of shares</b> | <b>%</b>      |
|----------------------------|----------------------|---------------|
| Ritesh Shaw                | 2,93,400             | 21.12         |
| Anand Shaw                 | 1,85,600             | 13.36         |
| Rachna Suman Shaw          | 9,10,114             | 65.52         |
| <b>Total</b>               | <b>1,389,114</b>     | <b>100.00</b> |

##### **Financial Performance**

The Financial Performance of Annapurna Snacks Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

| <b>Particulars</b>                           | <b>(Amount in Lakhs)</b> |                       |                       |
|--|--------------------------|-----------------------|-----------------------|
|  | <b>March 31, 2019</b>    | <b>March 31, 2020</b> | <b>March 31, 2021</b> |
| Equity capital                               | 138.91                   | 138.91                | 138.91                |
| Reserves and surplus (excluding revaluation) | 14.32                    | (22.91)               | (29.76)               |
| Total Income                                 | 23.14                    | 3.60                  | 6.00                  |
| Profit/(Loss) after tax                      | 4.85                     | (37.23)               | (6.86)                |
| Earnings per share (₹) (Basic)               | 0.90                     | (7.24)                | (0.49)                |
| Earnings per share (₹) (Diluted)             | 0.90                     | (7.24)                | (0.49)                |
| Net Worth                                    | 153.23                   | 116.00                | (15.87)               |
| Net asset value per share (₹)                | 22.10                    | 31.80                 | 4.25                  |

### **CONFIRMATION**

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the group entities have negative net worth as on the date of this Draft Red Herring Prospectus.



Further, our company or our group entity or any entity promoted by the promoters, has not been in default in payment of listing fees to any stock exchange in the last three years or has not been delisted or suspended in the past and not been proceeded against by SEBI or other regulatory authority in connection with investor related issues or otherwise.

#### **INTEREST OF OUR GROUP ENTITIES**

None of our Group Entities are interested in the promotion of our Company. Except as disclosed in the section titled “Restated Financial Statements” beginning on page 140 of the Draft Red Herring Prospectus and to the extent of their shareholding in our Company, our Group Entities do not have any other interest in our Company.

#### **SICK COMPANIES / WINDING UP**

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985. There are no winding up proceedings against any of the Promoter Group Entities.

#### **LITIGATION**

For details on litigations and disputes pending against the Promoters and Promoter Group entities and defaults made by them, please refer to the chapter titled, ‘Outstanding Litigations and Material Developments’ beginning on page 182 of this Draft Red Herring Prospectus.

#### **DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS**

None of our Promoters have disassociated themselves from any of the companies / partnership firms during preceding three years.

#### **SALES / PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES**

There is no sale purchase between our Company and Group Entities except as mentioned in Annexure VIII Related Party Disclosures under the chapter titled “Financial Statement” beginning on page 140 of this Draft Red Herring Prospectus.

#### **COMMON PURSUITS**

Except Annapurna Snacks Private Limited, there are no common pursuits among our Company and Group Entities or any objects similar to that of our Company’s business.

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## **RELATED PARTY TRANSACTION**

For details on related party transaction of our Company, please refer to Annexure 33 of Restated Financial statement beginning on page 140 of this Draft Red Herring Prospectus.

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## DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividend in any Financial Year.

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## SECTION IX - FINANCIAL STATEMENTS

### *AUDITORS REPORT AND FINANCIAL INFORMATION OF OUR COMPANY Independent Auditor's Report for the Restated Financial Statements of ANNAPURNA SWADISTH LIMITED*

To

The Board of Directors

**ANNAPURNA SWADISHT LIMITED**

90, Phears Lane, 6<sup>th</sup> Floor, Unit 604

P.S. Bowbazar, Kolkata – 700 012 (W.B)

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of **ANNAPURNA SWADISHT LIMITED** (the Company) as at 31<sup>st</sup> March, 2022, 11<sup>th</sup> February 2022, 31<sup>st</sup> March, 2021, 31<sup>st</sup> March 2020 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the period ended on 31<sup>st</sup> March, 2022, 11<sup>th</sup> February, 2022, 31<sup>st</sup> March, 2021, 31<sup>st</sup> March, 2020 annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the **Restated Summary Statements** or **Restated Financial Statements**). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in EMERGE Platform of National Stock Exchange of India Limited.
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
  - (i) Part I of Chapter - III to the Companies Act, 2013 (Act) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (**ICDR Regulations**) issued by the Securities and Exchange Board of India (**SEBI**) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time.
  - (iii) The terms of reference to our engagements with the Company letter dated April 26, 2022 requesting us to carry out the assignment, in connection with the Draft Red Herring Prospectus / Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE. (**IPO** or **SME IPO**);
  - (iv) The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and
  - (v) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (**Guidance Note**).
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial period / year ended on 31<sup>st</sup> March 2022, 11<sup>th</sup> February 2022, 31<sup>st</sup> March, 2021, 31<sup>st</sup> March, 2020 which has been approved by the Board of Directors.
4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The **Summary of Statement of Assets and Liabilities as Restated** as set out in **Annexure 1** to this report, of the Company as at 31<sup>st</sup> March 2022, 11<sup>th</sup> February 2022, 31<sup>st</sup> March, 2021, 31<sup>st</sup> March, 2020 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
  - (ii) The **Summary of Statement of Profit and Loss as Restated** as set out in **Annexure 2** to this report, of the Company for the period / year ended 31<sup>st</sup> March, 2022, 11<sup>th</sup> February, 2022, 31<sup>st</sup> March, 2021, 31<sup>st</sup> March, 2020 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as



restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.

- (iii) The **Summary of Statement of Cash Flow as Restated** as set out in **Annexure 3** to this report, of the Company for the period / year ended 31<sup>st</sup> March 2022, 11<sup>th</sup> February, 2022, 31<sup>st</sup> March, 2021, 31<sup>st</sup> March, 2020 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
- Adjustments for the changes in accounting policies retrospectively in respective financial period / years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.
  - Adjustments for prior period and other material amounts in the respective financial years / period to which they relate and there are no qualifications which require adjustments.
  - There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
  - There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period / year ended on 31<sup>st</sup> March 2022, 11<sup>th</sup> February, 2022, 31<sup>st</sup> March, 2021, 31<sup>st</sup> March, 2020 which would require adjustments in this Restated Financial Statements of the Company.
  - These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments / restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure 4** to this report.
6. Audit of **ANNAPURNA SWADISHT LIMITED** for the period / financial year ended on 31<sup>st</sup> March, 2022, 11<sup>th</sup> February, 2022 and 31<sup>st</sup> March, 2021 was conducted by **M/s. A M R K & Co.** (Chartered Accountants) and Audit for the Year ended 31<sup>st</sup> March, 2020 was conducted by **M/s. Goyal Parul & Co.** (Chartered Accountants) and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them and no routine audit has been carried out by us.
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial period / year ended on 31<sup>st</sup> March 2022, 11<sup>th</sup> February 2022, 31<sup>st</sup> March, 2021, 31<sup>st</sup> March, 2020 proposed to be included in the Draft Red Herring Prospectus / Prospectus (**Offer Document**).



**Annexure of Restated Financial Statements of our Company:-**

| <b>Annexure No.</b> | <b>Details of Annexure</b>   |
|---------------------|--|
| Annexure 1          | Summary of Statement of Assets and Liabilities as Restated           |
| Annexure 2          | Summary of Statement of Profit and Loss as Restated                  |
| Annexure 3          | Summary of Statement of Cash Flow as Restated                        |
| Annexure 4          | Significant Accounting Policies and Notes to Accounts as Restated    |
| Annexure 5          | Adjustments Made in Restated Financial Statements / Regrouping Notes |
| Annexure 6          | Details of Share Capital as Restated                                 |
| Annexure 7          | Details of Reserves and Surplus as Restated                          |
| Annexure 8          | Details of Long Term Borrowings as Restated                          |
| Annexure 9          | Details of Short Term Borrowings as Restated                         |
| Annexure 9A         | Nature of Security and Terms of Repayment for Long Term Borrowings   |
| Annexure 9B         | Nature of Security and Terms of Repayment for Short Term Borrowings  |
| Annexure 10         | Details of Deferred Tax Liabilities as Restated                      |
| Annexure 11         | Details of Trade Payables as Restated                                |
| Annexure 12         | Details of Other Current Liabilities as Restated                     |
| Annexure 13         | Details of Short Term Provisions as Restated                         |
| Annexure 14         | Details of Property, Plant and Equipment as Restated                 |
| Annexure 15         | Details of Non Current Investments as Restated                       |
| Annexure 16         | Details of Long Term Loans & Advances as Restated                    |
| Annexure 17         | Details of Inventories as Restated                                   |
| Annexure 18         | Details of Trade Receivables as Restated                             |
| Annexure 19         | Details of Cash and Cash Equivalents as Restated                     |
| Annexure 20         | Details of Short Term Loans & Advances as Restated                   |
| Annexure 21         | Details of Other Current Assets as Restated                          |
| Annexure 22         | Details of Revenue from Operations as Restated                       |
| Annexure 23         | Particulars of Sale of Products as Restated                          |
| Annexure 24         | Details of Other Income as Restated                                  |
| Annexure 25         | Details of Cost of Materials Consumed as Restated                    |
| Annexure 26         | Details of Changes in Inventories as Restated                        |
| Annexure 27         | Details of Employee Benefit Expenses                                 |
| Annexure 28         | Details of Finance Cost as Restated                                  |
| Annexure 29         | Details of Depreciation and Amortisation as Restated                 |
| Annexure 30         | Details of Other expenses as Restated                                |
| Annexure 31         | Details of Summary of Accounting Ratios as Restated                  |
| Annexure 32         | Details of Statement of Tax Shelters as Restated                     |
| Annexure 33         | Details of Related Parties Transactions as Restated                  |
| Annexure 34         | Details of Capitalization Statement as Restated                      |



8. We, **A M R K & Co.**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (**ICAI**) and hold a valid peer review certificate issued by the Peer Review Board of the ICAI.
9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
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 any other Firm of Chartered Accountants 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. In our opinion, the above financial information contained in Annexure 1 to 31 of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

*for* **A M R K & Co.**

*Chartered Accountants*

Firm Registration Number: 327630E

**Roshan Lal Khaitan**

*Partner*

Membership Number: 064377

UDIN: 22064377ANDBJL6442

Date: July 15, 2022

Place: Kolkata



TM

ANNEXURE 01

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ In Lakhs)

| Particulars   | Note No. | As at           |                 |                    |                 |
|---|----------|-----------------|-----------------|--------------------|-----------------|
|   |          | 31st March 2020 | 31st March 2021 | 11th February 2022 | 31st March 2021 |
| <b>I. EQUITY AND LIABILITIES</b>                      |          |                 |                 |                    |                 |
| <b>1 Shareholder's Fund</b>                           |          |                 |                 |                    |                 |
| (a) Equity Share Capital                              | 6        | 82.67           | 231.21          | 700.00             | 10.00           |
| (b) Reserve & Surplus                                 | 7        | -               | -               | -                  | 55.39           |
| <b>2 Share Application Money pending Allotment</b>    |          | -               | -               | -                  | 780.00          |
| <b>3 Non-Current Liabilities</b>                      |          |                 |                 |                    |                 |
| (c) Long Term Borrowings                              | 8        | 125.07          | 392.68          | 354.94             | 347.44          |
| (d) Deferred Tax Liabilities (Net)                    | 9        | -               | -               | -                  | 0.14            |
| <b>4 Current Liabilities</b>                          |          |                 |                 |                    |                 |
| (b) Short Term Borrowings                             | 10       | -               | 174.39          | 283.36             | 381.28          |
| (b) Trade Payables                                    | 11       | 203.64          | 267.73          | 864.42             | 786.20          |
| (c) Other Current Liabilities                         | 12       | 6.29            | 50.29           | 533.10             | 619.54          |
| (d) Short Term Provisions                             | 13       | 18.21           | 28.19           | 84.13              | 102.61          |
| <b>TOTAL</b>  |          | <b>435.88</b>   | <b>1,144.49</b> | <b>2,819.95</b>    | <b>3,082.61</b> |
| <b>II. ASSETS</b>                                     |          |                 |                 |                    |                 |
| <b>1 Non Current Assets</b>                           |          |                 |                 |                    |                 |
| (a) Property, Plant & Equipment and Intangible Assets |          |                 |                 |                    |                 |
| (i) Property, Plant & Equipment                       | 14       | 129.00          | 418.48          | 680.37             | 928.46          |
| (ii) Capital Work in Progress                         |          | 103.82          | 180.13          | 356.03             | 164.75          |
| (b) Non Current Investments                           | 15       | 61.00           | 61.00           | -                  | -               |
| (c) Long Term Loans & Advances                        | 16       | 11.23           | 13.44           | 30.71              | 31.32           |
| <b>2 Current Assets</b>                               |          |                 |                 |                    |                 |
| (b) Inventories                                       | 17       | 77.07           | 241.73          | 767.12             | 808.87          |
| (b) Trade Receivables                                 | 18       | 42.13           | 95.90           | 541.79             | 625.94          |
| (c) Cash and Cash Equivalents                         | 19       | 7.71            | 4.92            | 59.73              | 178.07          |
| (d) Short Term Loans and Advances                     | 20       | 0.01            | 55.81           | 174.42             | 249.96          |
| (e) Other Current Assets                              | 21       | 3.92            | 73.09           | 209.80             | 95.22           |
| <b>TOTAL</b>  |          | <b>435.88</b>   | <b>1,144.49</b> | <b>2,819.95</b>    | <b>3,082.61</b> |

As per our Report on Even date attached

|  |   |  |
|--|---|--|
| <b>for A M R K &amp; Co.</b><br><b>Chartered Accountants</b><br>FRN : 327630E<br><br>CA Roshan Lal Khaitan<br>Partner<br>Membership No. : 064377<br><br>Place: Kolkata<br>Date: 15.07.2022<br>UDIN: 22064377ANDBJL6442 | <b>For and on behalf of the Board of Directors</b><br><b>Annapurna Swadisht Limited</b>         |  |
|  | Shreeram Bagla<br>Managing Director<br>Din - 01895499<br><br>Shakeel Ahmed<br>Company Secretary | Sumit Sengupta<br>Whole Time Director<br>Din: 09184493<br><br>Ravi Sarda<br>CFO – PAN - BJOPS9049F |





ANNEXURE 02

STATEMENT OF PROFIT & LOSS, AS RESTATED

(₹ In Lakhs)

| Particulars  | Note No. | For the year ended |                 | For the period ended |                      |
|--|----------|--------------------|-----------------|----------------------|----------------------|
|  |          | 31 March 2020      | 31 March 2021   | 11th February 2022   | 11.02.22 to 31.03.22 |
| I. Revenue from Operations   | 22       | 1,374.44           | 2,029.31        | 4,921.26             | 1,183.40             |
| II. Other Income   | 24       | 0.11               | 0.68            | 0.78                 | 0.02                 |
| <b>III. Total Revenue (I + II)</b>   |          | <b>1,374.55</b>    | <b>2,029.99</b> | <b>4,922.04</b>      | <b>1,183.42</b>      |
| <b>IV. Expenses:</b>   |          |                    |                 |                      |                      |
| Cost of Materials Consumed   | 25       | 1,147.98           | 1,611.90        | 3,984.11             | 759.36               |
| (Increase) / Decrease in Inventories   | 26       | 45.71              | (116.06)        | (451.27)             | 40.95                |
| Employee Benefits Expense  | 27       | 45.40              | 86.33           | 207.83               | 59.51                |
| Finance Costs  | 28       | 3.26               | 23.85           | 78.04                | 8.23                 |
| Depreciation and Amortization Expense  | 29       | 21.39              | 45.13           | 71.07                | 13.19                |
| Other Expenses   | 30       | 58.30              | 299.52          | 762.62               | 228.17               |
| <b>Total Expenses</b>  |          | <b>1,322.05</b>    | <b>1,950.67</b> | <b>4,652.41</b>      | <b>1,109.40</b>      |
| <b>V. Profit Before Exceptional &amp; Extraordinary Items and Tax (III-IV)</b> |          | <b>52.51</b>       | <b>79.32</b>    | <b>269.64</b>        | <b>74.02</b>         |
| VI Exceptional Items   |          | -                  | -               | -                    | -                    |
| <b>VII Profit before extraordinary items and tax (V-VI)</b>                    |          | <b>52.51</b>       | <b>79.32</b>    | <b>269.64</b>        | <b>74.02</b>         |
| VIII Extraordinary items   |          | -                  | -               | -                    | -                    |
| <b>Profit before Tax (VII-VIII)</b>  |          | <b>52.51</b>       | <b>79.32</b>    | <b>269.64</b>        | <b>74.02</b>         |
| XI Tax Expense:  |          |                    |                 |                      |                      |
| (1) Current Tax  |          | 18.21              | 28.19           | 84.13                | 18.49                |
| (2) Deferred Tax   |          | -                  | -               | -                    | 0.14                 |
| (3) Less: MAT Credit Entitlement   |          | -                  | -               | -                    | -                    |
| <b>X Profit / (Loss) for the period from Continuing Operations(VII-VII)</b>    |          | <b>34.29</b>       | <b>51.13</b>    | <b>185.51</b>        | <b>55.39</b>         |
| XI Profit / (Loss) from Discontinuing Operations                               |          | -                  | -               | -                    | -                    |
| XII Tax Expense of Discontinuing Operations                                    |          | -                  | -               | -                    | -                    |
| XIII Profit/(loss) from Discontinuing Operations (after tax) (XII-XIII)        |          | -                  | -               | -                    | -                    |
| <b>XIV Profit / (Loss) for the period (XI+XIV)</b>                             |          | <b>34.29</b>       | <b>51.13</b>    | <b>185.51</b>        | <b>55.39</b>         |
| XV Earnings per Equity Share:  |          |                    |                 |                      |                      |
| (1) Basic  | 31       | 0.49               | 0.73            | 2.65                 | 0.79                 |
| (2) Diluted  |          | 0.49               | 0.73            | 2.65                 | 0.79                 |

As per our Report on Even date attached

|   |   |  |
|---|---|--|
| <p><b>for A M R K &amp; Co.</b><br/>Chartered Accountants<br/>FRN : 327630E</p> <p>CA Roshan Lal Khaitan<br/>Partner<br/>Membership No. : 064377<br/>Place: Kolkata<br/>Date: 15.07.2022<br/>UDIN: 22064377ANDBJL6442</p> | <p><b>For and on behalf of the Board of Directors</b><br/><b>Annapurna Swadisht Limited</b></p> <p>Shreeram Bagla<br/>Managing Director<br/>Din - 01895499</p> <p>Shakeel Ahmed<br/>Company Secretary</p> | <p>Sumit Sengupta<br/>Whole Time Director<br/>Din: 09184493</p> <p>Ravi Sarda<br/>CFO – PAN - BJOPS9049F</p> |
|---|---|--|



ANNEXURE 03

STATEMENT OF CASH FLOWS, AS RESTATED

(₹ In Lakhs)

| Sr. No.   | Particulars   | For the year ended 31 March 2020 |                 | For the year ended 31 March 2021 |                 | For the period ended 11th February 2022 |                 | 11.02.22 to 31.03.22 |                |
|-----------|---|----------------------------------|-----------------|----------------------------------|-----------------|---|-----------------|----------------------|----------------|
| <b>A.</b> | <b><u>Cash flow from Operating Activities</u></b>                 |                                  |                 |                                  |                 |   |                 |                      |                |
|           | <b>Net Profit after tax as per Statement of Profit &amp; Loss</b> |                                  | 34.29           |                                  | 50.35           |   | 185.51          |                      | 55.39          |
|           | Adjustments for :   |                                  |                 |                                  |                 |   |                 |                      |                |
|           | Depreciation & Amortisation Exp.                                  | 21.39                            |                 | 45.13                            |                 | 71.07                                   |                 | 13.19                |                |
|           | Interest Income   | -                                |                 | (0.15)                           |                 | (0.11)                                  |                 | (0.02)               |                |
|           | Provision for Income Tax & Deferred Tax                           | 18.21                            |                 | 28.19                            |                 | 84.13                                   |                 | 18.63                |                |
|           |   |                                  | 39.60           |                                  | 73.17           |   | 155.09          |                      | 31.80          |
|           | <b>Operating Profit before Working Capital Changes</b>            |                                  | 73.90           |                                  | 123.52          |   | 340.60          |                      | 87.19          |
|           | <b><u>Changes in Working Capital</u></b>                          |                                  |                 |                                  |                 |   |                 |                      |                |
|           | Trade Receivable  | (0.42)                           |                 | (53.77)                          |                 | (445.89)                                |                 | (84.16)              |                |
|           | Short Term Loans and Advances                                     | 23.04                            |                 | (55.80)                          |                 | (118.61)                                |                 | (75.54)              |                |
|           | Other Current Assets  | (3.92)                           |                 | (69.16)                          |                 | (136.71)                                |                 | 114.57               |                |
|           | Inventories   | (25.37)                          |                 | (164.67)                         |                 | (525.38)                                |                 | (41.75)              |                |
|           | Trade Payables  | 53.24                            |                 | 64.09                            |                 | 596.69                                  |                 | (78.22)              |                |
|           | Other Current Liabilities   | (155.62)                         |                 | 44.00                            |                 | 482.82                                  |                 | 86.44                |                |
|           |   |                                  | (109.05)        |                                  | (235.31)        |   | (147.08)        |                      | (78.66)        |
|           | <b>Net Cash Flow from Operations</b>                              |                                  | (35.15)         |                                  | (111.79)        |   | 193.52          |                      | 8.53           |
|           | Less: Income Tax Paid   |                                  | (14.00)         |                                  | (19.65)         |   | (28.19)         |                      | -              |
|           | <b>Net Cash Flow from Operating Activities (A)</b>                |                                  | <b>(49.15)</b>  |                                  | <b>(131.45)</b> |   | <b>165.33</b>   |                      | <b>8.53</b>    |
| <b>B.</b> | <b><u>Cash Flow from Investing Activities</u></b>                 |                                  |                 |                                  |                 |   |                 |                      |                |
|           | Purchase of Fixed Assets  | (15.58)                          |                 | (334.61)                         |                 | (334.80)                                |                 | (261.28)             |                |
|           | Changes in Capital Works in Progress                              | (103.82)                         |                 | (76.31)                          |                 | (175.91)                                |                 | 191.28               |                |
|           | (Purchase) / Sale of Investments                                  | -                                |                 | -                                |                 | 61.00                                   |                 | -                    |                |
|           | Movement in Loans & Advances                                      | (0.08)                           |                 | (2.21)                           |                 | (17.27)                                 |                 | (0.62)               |                |
|           | Interest Income   | -                                |                 | 0.15                             |                 | 0.11                                    |                 | 0.02                 |                |
|           |   |                                  | (119.47)        |                                  | (412.98)        |   | (466.87)        |                      | (70.60)        |
|           | <b>Net Cash Flow from Investing Activities (B)</b>                |                                  | <b>(119.47)</b> |                                  | <b>(412.98)</b> |   | <b>(466.87)</b> |                      | <b>(70.60)</b> |
| <b>C.</b> | <b><u>Cash Flow From Financing Activities</u></b>                 |                                  |                 |                                  |                 |   |                 |                      |                |



| Sr. No.   | Particulars   | For the year ended 31 March 2020 |                 | For the year ended 31 March 2021 |               | For the period ended 11th February 2022 |               | 11.02.22 to 31.03.22 |               |
|-----------|---|----------------------------------|-----------------|----------------------------------|---------------|---|---------------|----------------------|---------------|
|           | Proceeds / (Repayment) - Partner's Capital                              | 49.10                            |                 | 97.41                            |               | 283.28                                  |               | (700.00)             |               |
|           | Proceeds From Share Capital Issue                                       | -                                |                 | -                                |               | -                                       |               | 10.00                |               |
|           | Share Application Money (Pending Allotment) Received                    | -                                |                 | -                                |               | -                                       |               | 780.00               |               |
|           | Proceeds / (Repayment) from Long Term Borrowing                         | (104.16)                         |                 | 267.37                           |               | (37.74)                                 |               | (7.50)               |               |
|           | Proceeds / (Repayment) from Short Term Borrowing                        | -                                |                 | 174.39                           |               | 108.97                                  |               | 97.92                |               |
|           | Interest Paid   | -                                |                 | -                                |               | -                                       |               |                      |               |
|           |   |                                  | (55.06)         |                                  | 539.17        |   | 354.51        |                      | 180.42        |
|           | <b>Net Cash Flow from Financing Activities (C)</b>                      |                                  | <b>(55.06)</b>  |                                  | <b>539.17</b> |   | <b>354.51</b> |                      | <b>180.42</b> |
| <b>D.</b> | <b>Net (Decrease) / Increase in Cash &amp; Cash Equivalents (A+B+C)</b> |                                  | <b>(223.68)</b> |                                  | <b>(5.25)</b> |   | <b>52.97</b>  |                      | <b>118.35</b> |
| <b>E.</b> | Opening Cash & Cash Equivalents   |                                  | 231.39          |                                  | 7.71          |   | 4.92          |                      | 59.73         |
| <b>F.</b> | <b>Cash and Cash Equivalents at the end of the period</b>               |                                  | <b>7.71</b>     |                                  | <b>2.45</b>   |   | <b>57.89</b>  |                      | <b>178.07</b> |
| <b>G.</b> | <b>Cash and Cash Equivalents Comprises:</b>                             |                                  |                 |                                  |               |   |               |                      |               |
|           | Cash in Hand  |                                  | 1.91            |                                  | 2.36          |   | 48.71         |                      | 104.11        |
|           | Fixed Deposits  |                                  | 2.00            |                                  | 2.15          |   | 5.86          |                      | 5.88          |
|           | Bank Balances in Current Account  |                                  | 3.79            |                                  | 0.41          |   | 5.16          |                      | 68.08         |
|           | <b>Total</b>  |                                  | <b>7.71</b>     |                                  | <b>4.92</b>   |   | <b>59.73</b>  |                      | <b>178.07</b> |

As per our Report on Even date attached

|   |   |   |
|---|---|---|
| <p><b>for A M R K &amp; Co.</b><br/> <b>Chartered Accountants</b><br/> FRN : 327630E</p> <p>CA Roshan Lal Khaitan<br/> Partner<br/> Membership No. : 064377<br/> Place: Kolkata<br/> Date: 15.07.2022<br/> UDIN: 22064377ANDBJL6442</p> | <p><b>For and on behalf of the Board of Directors</b><br/> <b>Annapurna Swadisht Limited</b></p> <p>Shreeram Bagla<br/> Managing Director<br/> Din - 01895499</p> <p>Shakeel Ahmed<br/> Company Secretary</p> | <p>Sumit Sengupta<br/> Whole Time Director<br/> Din: 09184493</p> <p>Ravi Sarda<br/> CFO – PAN - BJOPS9049F</p> |
|---|---|---|



## ANNEXURE IV

### SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS AS RESTATED

#### COMPANY OVERVIEW

ANNAPURNA SWADISHT LIMITED was originally formed as a Partnership Firm in the name and style of “M/S. ANNAPURNA AGRO INDUSTRIES”. The firm was converted from Partnership Firm to Private Limited Company with the name of “ANNAPURNA SWADISHT PRIVATE LIMITED” with effect from 11<sup>th</sup> February, 2022 vide CIN U15133WB2022PLC251553. The Company (erstwhile firm) is engaged in the business of **Manufacturing of Food Products**.

#### **SIGNIFICANT ACCOUNTING POLICIES**

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

The summary statement of restated assets and liabilities of the Company (erstwhile firm) as at 31<sup>st</sup> March, 2022, 11<sup>th</sup> February, 2022, 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March, 2020 and the related summary statement of restated profit and loss and cash flows for the period ended 31<sup>st</sup> March, 2022, 11<sup>th</sup> February, 2022, 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March, 2020 (collectively referred to as the “Restated summary financial information”) have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company (erstwhile firm) in connection with the proposed Initial Public Offering (hereinafter referred to as ‘IPO’).

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

##### **b. Use of Estimates: -**

The preparation of financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosures of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

##### **c. Fixed Assets (Tangible / Intangible) & Capital Work-In-Progress: -**

Tangible Fixed Assets are stated at cost less depreciation / amortisation and impairment losses, if any. The cost of Fixed Assets comprises its purchase price net of any taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation of the assets.

Borrowing costs that are directly attributable to the acquisition / construction of the qualifying asset are capitalised as part of the cost of such asset, up to the date of acquisition / completion of construction. Projects under which Tangible Fixed Assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Gains or Losses arising from derecognition of Fixed Assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at cost less accumulated amortization and accumulated impairment, if any. Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the Asset and are recognized in the statement of profit and loss when the asset is derecognized.

##### **d. Depreciation and Amortization: -**

Depreciation on tangible assets is provided on “Written down Value Method” over the useful lives specified in Schedule II of Companies Act, 2013. The impact of the change in useful life of the fixed assets has been considered in accordance with the provision of Schedule II. Further no depreciation is charged on Tangible Assets under Work-in-Progress.

In respect of additions to / deletions from the Fixed Assets, on pro-rata basis with reference to the month of addition / deletion of the assets.

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

| Sr. No | Major Head            | Assets Included   | Useful Life |
|--------|-----------------------|---|-------------|
| 1      | Building              | Building  | 30 Years    |
| 2      | Plant and Machinery   | Food Processing Machine, Nitrogen Gas Plant, Air Compressor, Fryum Papad Machine, Packing Machine & Conveyor, PLC Pipe Model Pouch Packing Machine, Automatic Fryer, Multi Head Packing Machine | 10 Years    |
| 3      | Furniture and Fixture | Furniture and Fixtures  | 5 Years     |
| 4      | Office Equipment      | Office Equipments, Printer, Air Conditioner, Battery  | 5 Years     |
| 5      | Computer              | Computer  | 3 Years     |
| 6      | Motor Vehicle         | Four Wheeler Vehicle  | 5 Years     |
| 7      | Factory Shed          | Factory Shed  | 8 Years     |

**e. Impairment of Tangible and Intangible Assets: -**

The carrying amount of Assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors or an annual impairment testing for an asset is required. An Impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the asset’s net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

**f. Research and Development: -**

Research Costs are charged as an expense in the year in which they are incurred and are reflected under the appropriate heads of account. Development expenditure is carried forward when its future recoverability can reasonably be regarded as assured and is amortized over the period of expected future benefit.

**g. Valuation of Inventories: -**

Inventories includes Raw Material, WIP & Finished Goods which is being valued at Cost or Net realizable value, whichever is lower. Further cost of inventories comprise of all cost of purchase, cost of conversion & other cost incurred in bringing them to their respective present location and condition.

**h. Prior Period Adjustments / Exception Items: -**

All identifiable items of Income and Expenditure pertaining to prior period are accounted as “Prior Period Items”. “Exceptional items” are accounted depending on the nature of transaction.

**i. Event Occurring After Balance Sheet Date: -**

As per AS 4 Events occurring after the balance sheet date are those significant events, both favorable and unfavorable, that occur between the balance sheet date and the date on which the financial statements are approved by the Board of Directors in the case of a company, and, by the corresponding approving authority in the case of any other entity. These



events can broadly be classified in two ways:

- a) Those which provide further evidence of conditions that existed at the balance sheet date; and
- b) Those which are indicative of conditions that arose subsequent to the balance sheet date.

Adjustments to assets and liabilities are required for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date.

**j. Investments:**

**Recognition and Measurement:** Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**Presentation and disclosures:** Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as Non-Current investments.

**k. Revenue Recognition: -**

**Income from Sale of Goods:** Revenue from sales is recognised when significant risks and rewards of ownership have been transferred to the buyer which is normally on delivery of goods (net of sales tax/ value added tax) & when there is reasonable certainty and reliability of ultimate realisation.

**Interest:** Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

**l. Foreign Currency Transactions: -**

On initial recognition, all foreign currency transactions are converted and recorded at exchange rates prevailing on the date of the transaction.

As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction

**m. Borrowing Costs: -**

Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**n. Leases: -**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

**o. Earnings Per Share (EPS): -**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The company has been formed on conversion of Partnership Firm into Company with paid up Equity Share Capital of ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each. The status of the company prior to February 11, 2022 was that of Partnership Firm. Hence EPS and NAV per share for all the years of reporting period have been calculated by considering the number of shares outstanding post conversion of Partnership Firm into Company (i.e. 100,000 Equity Shares of ₹ 10 each).



**p. Taxes on Income: -**

Tax expense comprises both current and deferred taxes. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**q. Provisions and Contingent Liability: -**

A Provision is recognized, if as a result of past event the company has a present obligation that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the Obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company (erstwhile firm) has provided requisite disclosure related to contingent liabilities in its restated financial statements.

**r. Cash and Cash Equivalents (for the purpose of Cash Flow Statement): -**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, fixed deposits with banks, which are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**s. Cash Flow Statement: -**

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on available information.

**t. Provision for change in accounting policy: -**

No Accounting Policies have been changed during the period from 1st April 2019 to 11<sup>th</sup> February' 2022.

**u. General Notes: -**

Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

**v. Information related to MSME**

The company has not received any information from suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006, and hence disclosure, if any, relating to amounts unpaid as at the year-end together



with the interest paid / payable as required under the said Act has not been given.

## CHANGES IN ACCOUNTING POLICIES IN THE PERIODS/YEARS COVERED IN RESTATED FINANCIALS

As in the reporting period of restated financials, the company was a partnership firm and accordingly, was not following the provisions of companies act, 1956 or companies act, 2013, as the case may be, in respect of rates of depreciation charged on fixed assets. However, in restated financials, the company has adopted the method and rates of depreciation in terms of Schedule XIV of companies act, 1956 or Schedule II of companies act, 2013, as applicable in respective financial year. The company has recalculated the depreciation since financial year 2012-13 and accordingly, retrospective impact has been given in the restated financials.

## NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006. But the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006, cannot be ascertained and the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

### 3. Segment Reporting (AS 17)

The Company is required to disclose the information required by Accounting Standard- 17. No separate segments have, however, been reported as the company does not have more than one business Segment within the meaning of Accounting standard -17.

### 4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on January 20th, 2018 except as mentioned in Annexure VI, for any of the years covered by the statements.

### 5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure –VIII of the enclosed financial statements.

### 6. Accounting for Taxes on Income (AS 22)

Deferred Tax liability / Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year / period is reported as under

| Particular  | As at 31<br>March,2022 | As at 11<br>Feb,2022 | As at 31<br>March,2021 | As at 31<br>March,2020 |
|---|------------------------|----------------------|------------------------|------------------------|
| <b>Deferred Tax Assets</b>  |                        |                      |                        |                        |
| Related to Fixed Assets   | -                      | -                    | -                      | -                      |
| <b>Total (a)</b>  | -                      | -                    | -                      | -                      |
| <b>Deferred Tax Liability</b>   |                        |                      |                        |                        |
| Related to Fixed Assets   | -                      | -                    | -                      | 14,036                 |
| <b>Total (b)</b>  | -                      | -                    | -                      | <b>14,036</b>          |
| Net Deferred Tax (Asset) /<br>Liability {(b)-(a)} to be debited to<br>Profit and Loss Account | -                      | -                    | -                      | 14,036                 |
| <b>Total Deferred Tax (Asset) /<br/>Liability</b>   | -                      | -                    | -                      | <b>14,036</b>          |

ANNEXURE 5

## ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES





### Adjustments having no impact on Profit Material Regrouping

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

### ANNEXURE 6

#### DETAILS OF SHARE CAPITAL AS RESTATED

(₹ in Lakhs)

| Particulars  | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|--|-----------------------|-----------------------|--------------------------|-----------------------|
| <b><u>Authorised Share Capital</u></b>               |                       |                       |                          |                       |
| 1,50,00,000 Equity Shares of Rs 10/- each fully paid | -                     | -                     | -                        | 1,500.00              |
|  |                       |                       |                          |                       |
| <b><u>Issued, Subscribed &amp; Paid Up</u></b>       |                       |                       |                          |                       |
| 1,00,000 Equity Shares of Rs 10/- each fully paid    | -                     | -                     | -                        | 10.00                 |
| Capital Account                                      | 82.67                 | 231.21                | 700.00                   | -                     |
| <b>Total</b>   | <b>82.67</b>          | <b>231.21</b>         | <b>700.00</b>            | <b>10.00</b>          |

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

| Particulars                                     | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | 11.02.22 to 31.03.22 |
|---|-----------------------|-----------------------|--------------------------|----------------------|
| <b><u>Equity Shares</u></b>                     |                       |                       |                          |                      |
| At the beginning of the year                    | -                     | -                     | -                        | -                    |
| Issued during the year                          | -                     | -                     | -                        | 10.00                |
| <b>Total Outstanding at the end of the year</b> | <b>-</b>              | <b>-</b>              | <b>-</b>                 | <b>10.00</b>         |

### ANNEXURE 7

#### DETAILS OF RESERVES AND SURPLUS AS RESTATED

(₹ in Lakhs)

| Particulars  | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|--|-----------------------|-----------------------|--------------------------|-----------------------|
| <b>a) Securities Premium</b>   | -                     | -                     | -                        | -                     |
|  |                       |                       |                          |                       |
| <b>b) Surplus / (Defecit) in the Statement of Profit &amp; Loss</b>  |                       |                       |                          |                       |
| Balance as per last account  | -                     | -                     | -                        | -                     |
| Add:- Profit / (Loss) for the year                                   | -                     | -                     | -                        | 55.39                 |
| <b>Net Surplus / (Defecit) in the statement of Profit &amp; Loss</b> | <b>-</b>              | <b>-</b>              | <b>-</b>                 | <b>55.39</b>          |
|  |                       |                       |                          |                       |
| <b>Total Reserves and Surplus</b>                                    |                       |                       |                          | <b>55.39</b>          |



ANNEXURE 8

DETAILS OF LONG TERM BORROWINGS AS RESTATED

(₹ in Lakhs)

| Particulars                   | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|-------------------------------|-----------------------|-----------------------|--------------------------|-----------------------|
| <b>Secured Term Loans</b>     |                       |                       |                          |                       |
| Tata Capital & Investment Ltd | -                     | 139.87                | 210.55                   | 160.04                |
| Punjab National Bank          | -                     | -                     | -                        | -                     |
| Axis Bank - Vehicle Loan      | -                     | -                     | 22.45                    | 35.15                 |
| Sub-Total (a)                 | -                     | 139.87                | 233.00                   | 195.19                |
| <b>Unsecured Loans</b>        |                       |                       |                          |                       |
| From Body Corporates          | 115.93                | 250.17                | 17.27                    | 17.27                 |
| From Related Parties          | 9.14                  | 2.65                  | 104.66                   | -                     |
| From Directors / shareholders | -                     | -                     | -                        | 134.98                |
| Sub-Total (b)                 | 125.07                | 252.82                | 121.94                   | 152.25                |
| <b>Total</b>                  | <b>125.07</b>         | <b>392.68</b>         | <b>354.94</b>            | <b>347.44</b>         |

ANNEXURE 9

DETAILS OF SHORT TERM BORROWINGS AS RESTATED

(₹ in Lakhs)

| Particulars                                 | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|---|-----------------------|-----------------------|--------------------------|-----------------------|
| <b>Secured</b>                              |                       |                       |                          |                       |
| <b>(a) Working Capital Loans from banks</b> |                       |                       |                          |                       |
| Cash Credit from Axis Bank                  | -                     | 174.39                | 283.36                   | 381.28                |
| <b>Total</b>                                | <b>-</b>              | <b>174.39</b>         | <b>283.36</b>            | <b>381.28</b>         |

ANNEXURE 9A

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

| Sr. No. | Lender                        | Nature of Facility          | Date of Sanction of Loan | Amount outstanding as at March 31, 2022 | Rate of Interest (%)   | Repayment Terms  | Security / Principal terms and conditions   |
|---------|-------------------------------|-----------------------------|--------------------------|---|--|--|---|
| 1       | Tata Capital & Investment Ltd | Term Loan of ₹ 195.00 Lakhs | 29-Dec-2020              | 54.05 Lakhs                             | 11% p.a. i.e. ROI equal to LTLR less 8.25% subject to minimum of 10.50% p.a. | Repayable in 60 equal monthly installments of ₹ 3,27,890/- monthly commencing from 10.09.2021 and monthly interest thereon to be serviced as and when applied including during grace / | 1. Hypothecation of Machinery purchased / to be purchased out of TCFSL Fund.<br>2. Irrevocable and Unconditional Personal Guarantee of Ritesh Shaw and Nirmal Kumar Bhakat who have guaranteed the facility |

|   |                               |                             |             |              |   |  |   |
|---|-------------------------------|-----------------------------|-------------|--------------|---|--|---|
|   |                               |                             |             |              |   | moratorium   |   |
| 2 | Tata Capital & Investment Ltd | Term Loan of ₹ 229.15 Lakhs | 1-Oct-2021  | 154.11 Lakhs | 10.75% p.a. i.e. ROI equal to LTLR less 8.50% subject to minimum of 10.25% p.a. | Repayable in 60 equal monthly installments of ₹ 2,29,153/- plus gst monthly commencing from 31.01.2022 and monthly interest thereon to be serviced as and when applied including during grace / moratorium | 1. Hypothecation of Machinery purchased / to be purchased out of TCFSL Fund.<br>2. Irrevocable and Unconditional Personal Guarantee of Ritesh Shaw and Nirmal Kumar Bhakat who have guaranteed the facility |
| 3 | Axis Bank Ltd                 | Car Loan of ₹22.45 Lakhs    | 10-Feb-2022 | 22.09 Lakhs  | 7.10% p.a. i.e. ROI .   | Repayable in 60 equal monthly installments of ₹ 44,560/- monthly commencing from 01.03.2022 and monthly interest thereon to be serviced as and when applied including during grace / moratorium            | Hypothecation of Vehicle - Jeep Cat C Plus / Compass  |
| 4 | Axis Bank Ltd                 | Car Loan of ₹21.00 Lakhs    | 28-Feb-2022 | 20.62 Lakhs  | 7.10% p.a. i.e. ROI .   | Repayable in 60 equal monthly installments of ₹ 41681/- monthly commencing from 10.03.2022 and monthly interest thereon to be serviced as and when applied including during grace / moratorium             | Hypothecation of Vehicle - Tata Cat C Plus / Safari   |

**Notes:**

- (i) The figures disclosed above are based on the Statements of Assets and Liabilities as Restated of the Company
- (ii) The rate of interest given above are as agreed with the lenders in the respective facility letters.
- (iii) The above includes long-term borrowings disclosed under Annexure and the current maturities of long-term borrowings included in other current liabilities.

**ANNEXURE 9B**
**NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS**

| Sr. No. | Lender        | Nature of Facility            | Date of Sanction of Loan | Amount outstanding as at March 31, 2022 | Rate of Interest (%)        | Repayment Terms     | Security / Principal terms and conditions  |
|---------|---------------|-------------------------------|--------------------------|---|-----------------------------|---------------------|--|
| 1       | Axis Bank Ltd | Cash Credit of ₹ 500.00 Lakhs | 8-Nov-2021               | 283.36 Lakhs                            | Repo rate + 4% i.e. 8% p.a. | Repayable on Demand | <p>1. Hypothecation of Stock and book debts less creditors of the Company</p> <p>2. Immovable Property situated at Flat No. 702 on 7th Floor of the South West Middle Side and Covered Car Parking Space being No. 2 on the Ground Floor at Indralok. Measuring Super Built up area of 1038 sq ft little more or less together with undivided proportioante share of the land.</p> <p>3. Lying and situates at and being Premises No. 187, Netaji Subhas Chandra Bose Road within the jurisdiction of A.D.S.R. Alipore and with in the Limits of K.M.C. Ward No. 98, P.S. Jadavpur</p> |

**Notes:**

- (i) The figures disclosed above are based on the Statements of Assets and Liabilities as Restated of the Company.
- (ii) The rate of interest given above are as agreed with the lenders in the respective facility letters.

**ANNEXURE 10**
**DETAILS OF TRADE PAYABLES AS RESTATED**

(₹ in Lakhs)

| Particulars                            | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|--|-----------------------|-----------------------|--------------------------|-----------------------|
| (a) Micro, Small and Medium Enterprise | -                     | -                     | -                        | -                     |
| (b) Others                             | 203.64                | 267.73                | 864.42                   | 786.20                |
| <b>Total</b>                           | <b>203.64</b>         | <b>267.73</b>         | <b>864.42</b>            | <b>786.20</b>         |

**ANNEXURE 11**
**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**
**(₹ in Lakhs)**

| Particulars  | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|--|-----------------------|-----------------------|--------------------------|-----------------------|
| <b><u>(i) Current maturities of Long Term Debt</u></b> |                       |                       |                          |                       |
| (i.e. Term Liability classified as current)            | -                     | -                     | -                        | 55.68                 |
| Tata Capital & Investment Ltd                          | -                     | 3.74                  | -                        | -                     |
| <b>Other Payables:</b>                                 |                       |                       |                          |                       |
| (i) Salary, PF, ESIC, P. Tax Payable                   | 3.29                  | 5.17                  | 0.22                     | 28.10                 |
| (ii) TDS Payable                                       | 2.72                  | 3.85                  | 3.05                     | 4.36                  |
| (iii) Advanced from Customer                           | -                     | 2.38                  | 325.69                   | 307.16                |
| (iv) Output GST Payable                                | -                     | -                     | -                        | 16.68                 |
| (iv) Other Payables (Specify Nature)                   | 0.28                  | 35.13                 | 204.14                   | 207.57                |
| <b>Total</b>   | <b>6.29</b>           | <b>50.29</b>          | <b>533.10</b>            | <b>619.54</b>         |

**ANNEXURE 12**
**DETAILS OF SHORT TERM PROVISIONS AS RESTATED**
**(₹ in Lakhs)**

| Particulars                                    | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|--|-----------------------|-----------------------|--------------------------|-----------------------|
| <b><u>Provision For</u></b>                    |                       |                       |                          |                       |
| (a) Employee benefits                          | -                     | -                     | -                        | -                     |
| (b) Others (Specify nature)                    |                       |                       |                          |                       |
| Income Tax Provision                           | 18.21                 | 28.19                 | -                        | -                     |
| Income Tax Provision AY 22-23 Partnership Firm | -                     | -                     | 84.13                    | 84.13                 |
| Income Tax Provision AY 22-23 Company          | -                     | -                     | -                        | 18.49                 |
| <b>Total</b>                                   | <b>18.21</b>          | <b>28.19</b>          | <b>84.13</b>             | <b>102.61</b>         |



ANNEXURE 13

DETAILS OF PROPERTY, PLANT AND EQUIPMENT AS RESTATED

(₹ in Lakhs)

| Tangible Assets   | Gross Block                |             |                      |                             | Accumulated Depreciation   |                                  |                         |                             | Net Block                   |                            |
|-------------------|----------------------------|-------------|----------------------|-----------------------------|----------------------------|----------------------------------|-------------------------|-----------------------------|-----------------------------|----------------------------|
|                   | Balance as at 1 April 2018 | Additions   | Disposal/ Adjustment | Balance as at 31 March 2019 | Balance as at 1 April 2018 | Depreciation charge for the year | Deductions/ Adjustments | Balance as at 31 March 2019 | Balance as at 31 March 2019 | Balance as at 1 April 2018 |
| Plant & Machinery | 152.49                     | 2.34        | -                    | 154.84                      | -                          | 23.05                            | -                       | 23.05                       | 131.79                      | 152.49                     |
| Motor Vehicle     | 3.56                       | -           | -                    | 3.56                        | -                          | 0.53                             | -                       | 0.53                        | 3.02                        | 3.56                       |
| <b>Total</b>      | <b>156.05</b>              | <b>2.34</b> | <b>-</b>             | <b>158.39</b>               | <b>-</b>                   | <b>23.58</b>                     | <b>-</b>                | <b>23.58</b>                | <b>134.81</b>               | <b>156.05</b>              |

| Tangible Assets   | Gross Block                |              |                      |                             | Accumulated Depreciation   |                                  |                         |                             | Net Block                   |                            |
|-------------------|----------------------------|--------------|----------------------|-----------------------------|----------------------------|----------------------------------|-------------------------|-----------------------------|-----------------------------|----------------------------|
|                   | Balance as at 1 April 2019 | Additions    | Disposal/ Adjustment | Balance as at 31 March 2020 | Balance as at 1 April 2019 | Depreciation charge for the year | Deductions/ Adjustments | Balance as at 31 March 2020 | Balance as at 31 March 2020 | Balance as at 1 April 2019 |
| Plant & Machinery | 131.79                     | 15.58        | -                    | 147.37                      | -                          | 20.94                            | -                       | 20.94                       | 126.43                      | 131.79                     |
| Motor Vehicle     | 3.02                       | -            | -                    | 3.02                        | -                          | 0.45                             | -                       | 0.45                        | 2.57                        | 3.02                       |
| <b>Total</b>      | <b>134.81</b>              | <b>15.58</b> | <b>-</b>             | <b>150.39</b>               | <b>-</b>                   | <b>21.39</b>                     | <b>-</b>                | <b>21.39</b>                | <b>129.00</b>               | <b>134.81</b>              |

| Tangible Assets      | Gross Block                |               |                      |                             | Accumulated Depreciation   |                                  |                         |                             | Net Block                   |                             |
|----------------------|----------------------------|---------------|----------------------|-----------------------------|----------------------------|----------------------------------|-------------------------|-----------------------------|-----------------------------|-----------------------------|
|                      | Balance as at 1 April 2020 | Additions     | Disposal/ Adjustment | Balance as at 31 March 2021 | Balance as at 1 April 2020 | Depreciation charge for the year | Deductions/ Adjustments | Balance as at 31 March 2021 | Balance as at 31 March 2021 | Balance as at 31 March 2020 |
| Building             | -                          | 90.56         | -                    | 90.56                       | -                          | 4.55                             | -                       | 4.55                        | 86.00                       | -                           |
| Plant & Machinery    | 125.98                     | 199.95        | -                    | 325.93                      | -                          | 35.76                            | -                       | 35.76                       | 290.17                      | 126.37                      |
| Furniture & Fixtures | -                          | 14.90         | -                    | 14.90                       | -                          | 0.88                             | -                       | 0.88                        | 14.02                       | 3.02                        |
| Office Equipment     | -                          | 22.24         | -                    | 22.24                       | -                          | 2.13                             | -                       | 2.13                        | 20.12                       | -                           |
| Computer             | -                          | 6.74          | -                    | 6.74                        | -                          | 1.35                             | -                       | 1.35                        | 5.39                        | -                           |
| Motor Vehicle        | 3.02                       | 0.22          | -                    | 3.24                        | -                          | 0.47                             | -                       | 0.47                        | 2.77                        | -                           |
| <b>Total</b>         | <b>129.00</b>              | <b>334.61</b> | <b>-</b>             | <b>463.61</b>               | <b>-</b>                   | <b>45.13</b>                     | <b>-</b>                | <b>45.13</b>                | <b>418.48</b>               | <b>129.39</b>               |

| Tangible Assets | Gross Block |  |  |  | Accumulated Depreciation |  |  |  | Net Block |  |
|-----------------|-------------|--|--|--|--------------------------|--|--|--|-----------|--|
|-----------------|-------------|--|--|--|--------------------------|--|--|--|-----------|--|



|                      | Balance as at 1 April 2021 | Additions     | Disposal/ Adjustment | Balance as at 31 March 2022 | Balance as at 1 April 2021 | Depreciation charge for the year | Deductions/ Adjustments | Balance as at 31 February 2022 | Balance as at 11 February 2022 | Balance as at 31 March 2021 |
|----------------------|----------------------------|---------------|----------------------|-----------------------------|----------------------------|----------------------------------|-------------------------|--------------------------------|--------------------------------|-----------------------------|
| Building             | 86.00                      | -             | -                    | 86.00                       | -                          | 7.47                             | -                       | 7.47                           | 78.53                          | 86.00                       |
| Plant & Machinery    | 290.17                     | 281.62        | 34.40                | 537.40                      | -                          | 54.25                            | -                       | 54.25                          | 483.14                         | 290.17                      |
| Furniture & Fixtures | 14.02                      | 14.45         | -                    | 28.47                       | -                          | 1.72                             | -                       | 1.72                           | 26.75                          | 14.02                       |
| Office Equipment     | 20.12                      | 28.41         | 0.04                 | 48.50                       | -                          | 3.75                             | -                       | 3.75                           | 44.74                          | 20.12                       |
| Computer             | 5.39                       | 8.87          | -                    | 14.27                       | -                          | 3.14                             | -                       | 3.14                           | 11.13                          | 5.39                        |
| Motor Vehicle        | 2.77                       | 34.03         | -                    | 36.80                       | -                          | 0.74                             | -                       | 0.74                           | 36.06                          | 2.77                        |
| <b>Total</b>         | <b>418.48</b>              | <b>367.40</b> | <b>34.43</b>         | <b>751.44</b>               | <b>-</b>                   | <b>71.07</b>                     | <b>-</b>                | <b>71.07</b>                   | <b>680.37</b>                  | <b>418.48</b>               |

| Tangible Assets      | Gross Block                    |               |                      |                             | Accumulated Depreciation       |                                  |                         |                             | Net Block                   |                                |
|----------------------|--------------------------------|---------------|----------------------|-----------------------------|--------------------------------|----------------------------------|-------------------------|-----------------------------|-----------------------------|--------------------------------|
|                      | Balance as at 11 February 2022 | Additions     | Disposal/ Adjustment | Balance as at 31 March 2022 | Balance as at 11 February 2022 | Depreciation charge for the year | Deductions/ Adjustments | Balance as at 31 March 2022 | Balance as at 31 March 2022 | Balance as at 11 February 2022 |
| Building             | 78.53                          | -             | -                    | 78.53                       | -                              | 0.98                             | -                       | 0.98                        | 77.55                       | 78.53                          |
| Plant & Machinery    | 483.14                         | 26.13         | 0.16                 | 509.11                      | -                              | 7.42                             | -                       | 7.42                        | 501.70                      | 483.14                         |
| Furniture & Fixtures | 26.75                          | 4.20          | -                    | 30.95                       | -                              | 0.93                             | -                       | 0.93                        | 30.02                       | 26.75                          |
| Office Equipment     | 44.74                          | 2.72          | -                    | 47.47                       | -                              | 1.54                             | -                       | 1.54                        | 45.92                       | 44.74                          |
| Computer             | 11.13                          | 0.68          | -                    | 11.81                       | -                              | 0.60                             | -                       | 0.60                        | 11.21                       | 11.13                          |
| Motor Vehicle        | 36.06                          | 24.06         | -                    | 60.12                       | -                              | 1.72                             | -                       | 1.72                        | 58.40                       | 36.06                          |
| Factory Shed         | -                              | 203.65        | -                    | 203.65                      | -                              | -                                | -                       | -                           | 203.65                      | -                              |
| <b>Total</b>         | <b>680.37</b>                  | <b>261.44</b> | <b>0.16</b>          | <b>941.65</b>               | <b>-</b>                       | <b>13.19</b>                     | <b>-</b>                | <b>13.19</b>                | <b>928.46</b>               | <b>680.37</b>                  |

Note: Since the Company was converted from Partnership Firm as on 11.02.2022, all the Fixed Assets are in the name of erstwhile Partnership Firm "Annapurna Agro Industries"

**ANNEXURE 14**
**DETAILS OF DEFERRED LIABILITIES AS RESTATED**

(₹ in Lakhs)

| Particulars                           | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|---------------------------------------|-----------------------|-----------------------|--------------------------|-----------------------|
| WDV as per book                       | 129.00                | 418.48                | 680.37                   | 928.46                |
| WDV as per IT                         | 129.00                | 418.48                | 680.37                   | 927.90                |
|                                       |                       |                       |                          |                       |
| Time Difference                       | -                     | -                     | -                        | <b>55,768.01</b>      |
| Disallowance u/s 43B                  | -                     | -                     | -                        | -                     |
| <b>Carried Forward Loss</b>           | -                     | -                     | -                        | -                     |
| <b>Total</b>                          | -                     | -                     | -                        | <b>0.56</b>           |
|                                       |                       |                       |                          |                       |
| As per B/S (Liability)/(Asset)        | -                     | -                     | -                        | 0.14                  |
| Transfer to P & L A/c (Loss)/(Profit) | -                     | -                     | -                        | 0.14                  |

**ANNEXURE 15**
**DETAILS OF NON CURRENT INVESTMENTS**

(₹ in Lakhs)

| Particulars                               | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | 11.02.22 to 31.03.22 |
|---|-----------------------|-----------------------|--------------------------|----------------------|
| Investment in Unquoted Equity Instruments | 61.00                 | 61.00                 | -                        | -                    |
| <b>Total</b>                              | <b>61.00</b>          | <b>61.00</b>          | -                        | -                    |

**ANNEXURE 16**
**DETAILS OF LONG TERM LOANS & ADVANCES AS RESTATED**

(₹ in Lakhs)

| Particulars       | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|-------------------|-----------------------|-----------------------|--------------------------|-----------------------|
| Security Deposits | 11.23                 | 13.44                 | 30.71                    | 31.32                 |
| <b>Total</b>      | <b>11.23</b>          | <b>13.44</b>          | <b>30.71</b>             | <b>31.32</b>          |

**ANNEXURE 17**
**DETAILS OF INVENTORIES (Valued at Lower of Cost and Net Realisable Value) AS RESTATED**

(₹ in Lakhs)

| Particulars                     | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|---------------------------------|-----------------------|-----------------------|--------------------------|-----------------------|
| a. Raw Materials and components | 1.94                  | 50.54                 | 124.66                   | 207.36                |
| b. Finished Goods               | 70.31                 | 21.53                 | 238.07                   | 124.11                |
| c. Stores & Spares              | 4.82                  | 169.65                | 404.39                   | 477.40                |
| <b>Total</b>                    | <b>77.07</b>          | <b>241.73</b>         | <b>767.12</b>            | <b>808.87</b>         |



## DETAILS OF TRADE RECEIVABLES AS RESTATED

(₹ in Lakhs)

| Particulars                     | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|---------------------------------|-----------------------|-----------------------|--------------------------|-----------------------|
| (Unsecured and Considered Good) |                       |                       |                          |                       |
| Over Six Months                 | -                     | -                     | -                        | -                     |
| Others                          | 42.13                 | 95.90                 | 541.79                   | 625.94                |
| <b>Total</b>                    | <b>42.13</b>          | <b>95.90</b>          | <b>541.79</b>            | <b>625.94</b>         |

## ANNEXURE 19

## DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED

(₹ in Lakhs)

| Particulars   | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|---|-----------------------|-----------------------|--------------------------|-----------------------|
| <b>a. Balances with banks</b>                       |                       |                       |                          |                       |
| On Current Account                                  | 3.79                  | 0.41                  | 5.16                     | 68.08                 |
| <b>b. Cash on Hand (As certified by Management)</b> | 1.91                  | 2.36                  | 48.71                    | 104.11                |
| <b>c. Fixed Deposits</b>                            |                       |                       |                          |                       |
| Less Than Six Months                                | -                     | -                     | -                        | -                     |
| More Than Six Months                                | 2.00                  | 2.15                  | 5.86                     | 5.88                  |
| <b>Total</b>  | <b>7.71</b>           | <b>4.92</b>           | <b>59.73</b>             | <b>178.07</b>         |

## ANNEXURE 20

## DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED

(₹ in Lakhs)

| Particulars                            | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|--|-----------------------|-----------------------|--------------------------|-----------------------|
| <b>(Unsecured and Considered Good)</b> |                       |                       |                          |                       |
| Balance with Government Authorities    | 0.01                  | -                     | -                        | -                     |
| Advance for Capital Goods              | -                     | 24.95                 | 106.04                   | 127.13                |
| TCS Receivable (Asst Year 2021-22)     | -                     | -                     | 0.41                     | 0.41                  |
| TCS Receivable (Asst Year 2022-23)     | -                     | -                     | 0.85                     | 1.60                  |
| TDS Receivable (Asst Year 2021-22)     | -                     | -                     | 0.01                     | 0.01                  |
| <b>Others</b>                          | -                     | 30.86                 | 67.11                    | 120.81                |
| <b>Total</b>                           | <b>0.01</b>           | <b>55.81</b>          | <b>174.42</b>            | <b>249.96</b>         |

## ANNEXURE 21

## DETAILS OF OTHER CURRENT ASSETS AS RESTATED

(₹ in Lakhs)

| Particulars                     | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | 11.02.22 to 31.03.22 |
|---------------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| (Unsecured and Considered Good) |                       |                       |                          |                      |
| Advance to Suppliers            | -                     | 17.56                 | 86.05                    | 67.36                |
| Advance to Employees            | -                     | -                     | -                        | 17.25                |
| Advance Rent Paid               | -                     | -                     | -                        | -                    |
| GST Input Credit                | 3.92                  | 44.24                 | 58.11                    | 10.61                |
| Others                          | -                     | 11.29                 | 65.63                    | -                    |
| <b>Total</b>                    | <b>3.92</b>           | <b>73.09</b>          | <b>209.80</b>            | <b>95.22</b>         |

## DETAILS OF REVENUE FROM OPERATION

(₹ in Lakhs)

| Particulars   | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|---|----------------------------------|----------------------------------|---|-------------------------------------|
| Sales of Traded Goods                                   | -                                | -                                | -   | -                                   |
| Sales of Manufactured Goods                             | 1,374.44                         | 2,029.31                         | 4,921.26  | 1,183.40                            |
| Sale of Services  | -                                | -                                | -   | -                                   |
| Turnover in respect of products not normally dealt with | -                                | -                                | -   | -                                   |
| <b>TOTAL</b>  | <b>1,374.44</b>                  | <b>2,029.31</b>                  | <b>4,921.26</b>   | <b>1,183.40</b>                     |

## PARTICULARS OF SALE OF PRODUCTS AS RESTATED

(₹ in Lakhs)

| Particulars                            | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|--|----------------------------------|----------------------------------|---|-------------------------------------|
| <b>Sale of Traded Goods Comprised:</b> |                                  |                                  |   |                                     |
| Local Sales                            | 1,374.44                         | 2,029.31                         | 4,921.26  | 1,183.40                            |
| <b>Total</b>                           | <b>1,374.44</b>                  | <b>2,029.31</b>                  | <b>4,921.26</b>   | <b>1,183.40</b>                     |

## DETAILS OF OTHER INCOME AS RESTATED

(₹ in Lakhs)

| Particulars                   | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|-------------------------------|----------------------------------|----------------------------------|---|-------------------------------------|
| <b><u>Interest Income</u></b> |                                  |                                  |   |                                     |
| Interest on Fixed Deposits    | -                                | 0.15                             | 0.11  | 0.02                                |
| <b><u>Other Income</u></b>    |                                  |                                  |   |                                     |
| Discount Received             | -                                | 0.42                             | 0.67  | 0.00                                |
| Misc. Other Receipts          | 0.11                             | 0.11                             | -   | -                                   |
| <b>Total</b>                  | <b>0.11</b>                      | <b>0.68</b>                      | <b>0.78</b>   | <b>0.02</b>                         |

## DETAILS OF COST OF MATERIALS CONSUMED AS RESTATED

(₹ in Lakhs)

| Particulars                         | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|-------------------------------------|----------------------------------|----------------------------------|---|-------------------------------------|
| Opening Stock of Raw Material       | 5.99                             | 1.94                             | 50.54   | 124.66                              |
| Add: Purchase of Raw Materials      | 1,219.06                         | 1,660.50                         | 4,058.22  | 842.06                              |
| Less: Closing Stock of Raw Material | 77.07                            | 50.54                            | 124.66  | 207.36                              |



|                                |          |          |          |        |
|--------------------------------|----------|----------|----------|--------|
| Cost of Raw Materials Consumed | 1,147.98 | 1,611.90 | 3,984.11 | 759.36 |
|--------------------------------|----------|----------|----------|--------|

#### PARTICULARS OF RAW MATERIAL PURCHASES

(₹ in Lakhs)

| Particulars                              | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|--|----------------------------------|----------------------------------|---|-------------------------------------|
| <b>Raw Materials Purchases includes:</b> |                                  |                                  |   |                                     |
| Chemicals                                | 40.48                            | 7.92                             | 7.07  | 2.61                                |
| Masala                                   | 9.98                             | 104.85                           | 333.39  | 43.35                               |
| Raw Materials                            | 1,168.60                         | 1,547.74                         | 3,636.05  | 762.07                              |
| Others                                   | -                                | -                                | 81.70   | 34.02                               |
| <b>Total</b>                             | <b>1,219.06</b>                  | <b>1,660.50</b>                  | <b>4,058.22</b>   | <b>842.06</b>                       |

#### ANNEXURE 26

#### DETAILS OF CHANGES IN INVENTORIES AS RESTATED

(₹ in Lakhs)

| Particulars                                     | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|---|----------------------------------|----------------------------------|---|-------------------------------------|
| <b>Inventories at the end of the year</b>       |                                  |                                  |   |                                     |
| - Finished Goods                                | -                                | 21.53                            | 238.07  | 124.11                              |
| - Packing Materials                             | -                                | 169.65                           | 404.39  | 477.40                              |
|   |                                  |                                  |   |                                     |
| <b>Inventories at the beginning of the year</b> |                                  |                                  |   |                                     |
| - Finished Goods                                | 45.71                            | 70.31                            | 21.53   | 238.07                              |
| - Packing Materials                             | -                                | 4.82                             | 169.65  | 404.39                              |
| <b>Net (Increase) / Decrease</b>                | <b>45.71</b>                     | <b>(116.06)</b>                  | <b>(451.27)</b>   | <b>40.95</b>                        |

#### ANNEXURE 27

#### DETAILS OF EMPLOYEE BENEFITS EXPENSES AS RESTATED

(₹ in Lakhs)

| Particulars                                      | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|--|----------------------------------|----------------------------------|---|-------------------------------------|
| (a) Salaries and Wages                           | 29.45                            | 71.66                            | 180.31  | 54.07                               |
| (b) Contributions to Provident Fund & Other Fund | -                                | -                                | 5.36  | -                                   |
| Gratuity Provision                               | -                                | -                                | -   | -                                   |
| (c) Staff Welfare Expenses                       | 9.95                             | 8.67                             | 14.15   | 5.43                                |
| (d) Director's Remuneration                      | 6.00                             | 6.00                             | 8.00  | -                                   |
| <b>Total</b>                                     | <b>45.40</b>                     | <b>86.33</b>                     | <b>207.83</b>   | <b>59.51</b>                        |

## DETAILS OF EMPLOYEE BENEFITS EXPENSES AS RESTATED

(₹ in Lakhs)

| Particulars                      | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|----------------------------------|----------------------------------|----------------------------------|---|-------------------------------------|
| <b>(a) Interest Expense :-</b>   |                                  |                                  |   |                                     |
| (i) Borrowings                   | 3.04                             | 19.62                            | 58.66   | 8.04                                |
| (ii) Interest on TDS & GST       | -                                | -                                | -   | -                                   |
| (iii) Interest on late payment   | -                                | -                                | -   | -                                   |
| (iv) Interest on Capital         | -                                | -                                | 16.06   | -                                   |
| <b>(b) Other Borrowing Costs</b> | 0.23                             | 4.23                             | 3.32  | 0.19                                |
|                                  | <b>3.26</b>                      | <b>23.85</b>                     | <b>78.04</b>  | <b>8.23</b>                         |

## DETAILS OF DEPRECIATION AND AMORTISATION AS RESTATED

(₹ in Lakhs)

| Particulars      | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|------------------|----------------------------------|----------------------------------|---|-------------------------------------|
| Depreciation Exp | 21.39                            | 45.13                            | 71.07   | 13.19                               |
| Amortisation Exp | -                                | -                                | -   | -                                   |

## DETAILS OF OTHER EXPENSES AS RESTATED

(₹ in Lakhs)

| Particulars                                       | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|---|----------------------------------|----------------------------------|---|-------------------------------------|
| <b><u>Manufacturing Expenses</u></b>              |                                  |                                  |   |                                     |
| Consumption of Stores & Spare Parts               | 13.33                            | 73.43                            | 313.52  | 88.79                               |
| Electric Power & Fuel                             | 24.80                            | 61.86                            | 126.06  | 25.88                               |
| Damage Return                                     | -                                | 1.94                             | -   | -                                   |
| Freight & Forwarding Exp                          | 0.97                             | 21.29                            | 78.42   | 7.78                                |
| Loading and Unloading Expenses                    | -                                | 2.28                             | 12.92   | 0.71                                |
| Factory Expenses                                  | -                                | -                                | 8.40  | 4.59                                |
|   |                                  |                                  |   |                                     |
| <b><u>Selling &amp; Distribution Expenses</u></b> |                                  |                                  |   |                                     |
| Advertisement Expenses                            | -                                | -                                | -   | 4.15                                |
| Commission Expenses                               | -                                | 40.62                            | 37.35   | 4.00                                |
| Sales and Administrative Discount                 | -                                | 9.42                             | 0.63  | -                                   |
| Sales Promotion Expenses                          | 4.48                             | 49.61                            | 88.58   | 44.46                               |
|   |                                  |                                  |   |                                     |
| <b><u>Establishment Expenses</u></b>              |                                  |                                  |   |                                     |
| Accounting Charges                                | 0.30                             | 0.11                             | -   | -                                   |
| Rates & Taxes                                     | 0.11                             | 0.86                             | 1.29  | 2.32                                |
| Payment to Auditors                               | 0.28                             | 0.30                             | 0.30  | 0.30                                |
| Repairs & Maintenance                             | -                                | 12.00                            | 22.38   | 7.68                                |
| Travelling Expenses                               | -                                | 1.21                             | 12.36   | 7.66                                |

|                           |              |               |               |               |
|---------------------------|--------------|---------------|---------------|---------------|
| Insurance Expense         | 0.42         | 0.25          | 3.58          | 1.07          |
| Rent Expense              | 4.32         | 11.22         | 23.95         | 9.07          |
| Donation Expense          | -            | 0.15          | 1.91          | 0.62          |
| Legal & Professional Fees | -            | 0.10          | 7.30          | 12.54         |
| Printing & Stationery Exp | 0.79         | 1.26          | 2.23          | 0.63          |
| Transportation Exp        | -            | 1.94          | 3.63          | 1.99          |
| Telephone Exp             | 0.05         | 0.21          | 0.21          | 0.02          |
| Office Exp                | 4.27         | 0.95          | 1.46          | -             |
| Vehicle Running Expenses  | -            | 4.45          | 10.46         | 2.16          |
| GST Input Reverse Charges | -            | -             | 3.35          | -             |
| Miscellaneous Expense     | 4.18         | 4.07          | 2.35          | 1.74          |
| <b>Total</b>              | <b>58.30</b> | <b>299.52</b> | <b>762.62</b> | <b>228.17</b> |

**PAYMENT TO AUDITORS AS:**

(₹ in Lakhs)

| Particulars                      | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|----------------------------------|----------------------------------|----------------------------------|---|-------------------------------------|
| a. Auditor                       |                                  |                                  |   |                                     |
| b. for taxation matters          | 0.25                             | 0.30                             | 0.30  | 0.20                                |
| c. for company law matters       | -                                | -                                | -   | 0.10                                |
| d. for management services       | -                                | -                                | -   | -                                   |
| e. for other services            | -                                | -                                | -   | -                                   |
| f. for reimbursement of expenses | -                                | -                                | -   | -                                   |
| <b>Total</b>                     | <b>0.25</b>                      | <b>0.30</b>                      | <b>0.30</b>   | <b>0.30</b>                         |

**ANNEXURE 31**

**DETAILS OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED**

| Ratios   | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11th February 2022 | For the period 11.02.22 to 31.03.22 |
|--|----------------------------------|----------------------------------|---|-------------------------------------|
| <b>Restated PAT as per P&amp; L Account</b>                              | 34.29                            | 51.13                            | 185.51  | 55.39                               |
| Weighted Average Number of Equity Shares at the end of the Year / Period | 70,00,000                        | 70,00,000                        | 70,00,000   | 70,00,000                           |
| No. of equity shares at the end of the year / period                     | 70,00,000                        | 70,00,000                        | 70,00,000   | 70,00,000                           |
| <b>Net Worth</b>   | 82.67                            | 231.21                           | 700.00  | 755.39                              |
| Current Assets   | 130.83                           | 471.44                           | 1,752.84  | 1,958.07                            |
| Current Liabilities  | 229.58                           | 520.59                           | 1,765.01  | 1,889.63                            |
| <b>Earnings Per Share</b>  |                                  |                                  |   |                                     |
| Basic & Diluted  | 0.49                             | 0.73                             | 2.65  | 0.79                                |
| <b>Return on Net Worth (%)</b>   | 39.74%                           | 22.11%                           | 26.50%  | 7.33%                               |
| <b>Net Asset Value Per Share (Rs)</b>                                    | 1.18                             | 3.30                             | 10.00   | 10.79                               |
| <b>Current Ratio</b>   | 0.57                             | 0.91                             | 0.99  | 1.04                                |
| Nominal Value per Equity share (₹)                                       |                                  |                                  |   |                                     |



|  |       |       |       |       |
|--|-------|-------|-------|-------|
|  | 10.00 | 10.00 | 10.00 | 10.00 |
|--|-------|-------|-------|-------|

Note: Ratios have been calculated as below

**Basic and Diluted Earnings Per Share (EPS) (₹)**  $\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the year / period}}$

**Return on Net Worth (%)**  $\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Restated Net Worth of Equity Shareholders}}$

**Net Asset Value per equity share (₹)**  $\frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Number of Equity Shares outstanding at the end of the year / period}}$

The Company has been formed upon conversion of Partnership Firm into Company vide a certificate of incorporation dated February 11, 2022. The Company has been converted with paid up equity share capital of ₹ 7,00,00,000 divided into 70,00,000 equity shares of ₹ 10 each. The status of our Company prior to February 11, 2022 was Partnership Firm. Hence, EPS and NAV per share for all the years has been calculated by considering the number of shares outstanding post conversion of partnership firm into Company.

#### ANNEXURE 32

#### DETAILS OF STATEMENT OF TAX SHELTER AS RESTATED

(₹ in Lakhs)

| Particulars   | For the year ended 31 March 2020 | For the year ended 31 March 2021 | For the period ended 1 <sup>st</sup> April 2021 to 11 <sup>th</sup> February 2022 | For the period 11.02.22 to 31.03.22 |
|---|----------------------------------|----------------------------------|---|-------------------------------------|
| <b>Profit before tax as per books (A)</b>                 | <b>52.51</b>                     | <b>79.32</b>                     | <b>269.64</b>   | <b>74.02</b>                        |
| Normal Corporate Tax Rate (%)                             | 31.20%                           | 31.20%                           | 31.20%  | 25.17%                              |
| Normal Corporate Tax Rate (Other Source) (%)              | 30.90%                           | 30.90%                           | 30.90%  | 25.17%                              |
| MAT Rates   | 15.60%                           | 15.60%                           | 15.60%  | 15.60%                              |
| Tax at notional rate of profits                           | 16.38                            | 24.75                            | 84.13   | 18.63                               |
| <b>Adjustments :</b>                                      |                                  |                                  |   |                                     |
| <b>Permanent Differences(B)</b>                           |                                  |                                  |   |                                     |
| Expenses disallowed under Income Tax Act, 1961            | -                                | -                                | -   | -                                   |
| Donation Disallowed                                       | -                                | -                                | -   | -                                   |
| TDS Interest  | -                                | -                                | -   | -                                   |
| Late Filing Fee   | -                                | -                                | -   | -                                   |
| Prior Period Items  | -                                | -                                | -   | -                                   |
| Penalty   | -                                | 0.19                             | -   | -                                   |
| <b>Total Permanent Differences(B)</b>                     | <b>-</b>                         | <b>0.19</b>                      | <b>-</b>  | <b>-</b>                            |
| <b>Income considered separately (C)</b>                   |                                  |                                  |   |                                     |
| <b>Total Income considered separately (C)</b>             | <b>-</b>                         | <b>-</b>                         | <b>-</b>  | <b>-</b>                            |
|   |                                  |                                  |   |                                     |
| <b>Timing Differences (D)</b>                             |                                  |                                  |   |                                     |
| Difference between tax depreciation and book depreciation | -                                | -                                | -   | (0.56)                              |
| Depreciation as per Book                                  | 21.39                            | 45.13                            | 71.07   | 13.19                               |
| Depreciation as per Income tax                            | 21.39                            | 45.13                            | 71.07   | 13.75                               |

|  |              |              |               |               |
|--|--------------|--------------|---------------|---------------|
| Difference due to any other items of addition u/s 28 to 44DA | -            | -            | -             | -             |
| <b>Total Timing Differences (D)</b>                          | -            | -            | -             | <b>(0.56)</b> |
| <b>Net Adjustments E = (B+C+D)</b>                           | -            | <b>0.19</b>  | -             | <b>(0.56)</b> |
| <b>Tax Expense / (Saving) thereon</b>                        | -            | 0.06         | -             | (0.14)        |
| <b>Income from Other Sources (F)</b>                         | -            | -            | -             | -             |
| <b>Loss of P.Y. Brought Forward &amp; Adjusted (G)</b>       | -            | -            | -             | -             |
| Taxable Income/(Loss) (A+E+F+G)                              | <b>52.51</b> | <b>79.51</b> | <b>269.64</b> | <b>73.46</b>  |
| <b>Taxable Income/(Loss) as per MAT</b>                      | 52.51        | 79.32        | 269.64        | 74.02         |
| <b>Tax as per MAT</b>  | 8.19         | 12.37        | 42.06         | 11.55         |
| <b>Basic Tax</b>   | 7.88         | 11.90        | 40.45         | 11.10         |
| <b>Edu Cess</b>  | 0.32         | 0.48         | 1.62          | 0.44          |
| <b>Tax as per Normal Calculation</b>                         | 16.38        | 24.81        | 84.13         | 18.49         |
| <b>Basic Tax</b>   | 15.75        | 23.85        | 80.89         | 17.78         |
| <b>Health &amp; Edu Cess</b>                                 | 0.63         | 0.95         | 3.24          | 0.71          |
| <b>Interest U/s 234</b>                                      | 1.83         | 3.38         | -             | -             |
| <b>Income Tax as Returned / Computed</b>                     | 18.21        | 28.19        | 84.13         | 18.49         |
| Less: Prepaid Taxes  | -            | -            | 0.85          | 1.60          |
| <b>Balance Tax Payable</b>                                   | -            | -            | 83.27         | 16.89         |
| Tax paid as per normal or MAT                                | No Tax       | No Tax       | No Tax        | No Tax        |

ANNEXURE 33

DETAILS OF RELATED PARTIES TRANSACTION AS RESTATED

(₹ in Lakhs)

| SI No | Key Managerial Personnel | Relation |
|-------|--------------------------|----------|
| 1     | Nirmal Kumar Bhakat      | Director |
| 2     | Sumit Sengupta           | Director |
| 3     | Shreeram Bagla           | Director |

| SI No | Relative of Key Managerial Personnel (KMP) | Relation        |
|-------|--|-----------------|
| 1     | Asha Bhakat                                | Relative of KMP |
| 2     | Ritesh Shaw                                | Relative of KMP |
| 3     | Rajesh Shaw                                | Relative of KMP |
| 4     | Rachna Suman Shaw                          | Relative of KMP |
| 5     | Neha Bagla                                 | Relative of KMP |

| SI No | Entities over which Company or KMP or their relatives, exercise significant influence | Relation        |
|-------|---|-----------------|
| 1     | Allenby Food & Beverages Pvt Ltd  | Common Director |
| 2     | Annapurna Snacks Pvt Ltd  | Common Director |
| 3     | Ayushmati Vinimay Pvt Ltd   | Common Director |
| 4     | Darsh Advisory Pvt Ltd  | Common Director |
| 5     | Fantom Distributors Pvt Ltd   | Common Director |
| 6     | R S V Ispat Pvt Ltd   | Common Director |
| 7     | Tulsi General Trading   | Common Director |

Transaction with Related Parties during the Year

(₹ in Lakhs)

| SI No     | Nature of Transaction                          | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 22 |
|-----------|--|-----------------------|-----------------------|--------------------------|---------------------|
| <b>A)</b> | <b><u>Sales of Goods</u></b>                   |                       |                       |                          |                     |
|           | Tulsi General Trading                          | -                     | 25.50                 | -                        | -                   |
|           | -  |                       |                       |                          |                     |
| <b>B)</b> | <b><u>Purchase of Goods</u></b>                |                       |                       |                          |                     |
|           | Rajesh Shaw                                    | 6.00                  | -                     | -                        | -                   |
|           | Tulsi General Trading                          | -                     | -                     | 90.12                    | 54.37               |
|           | -  |                       |                       |                          |                     |
| <b>C)</b> | <b><u>Remuneration Paid</u></b>                |                       |                       |                          |                     |
|           | Nirmal Kumar Bhakat                            | 6.00                  | 6.00                  | 3.00                     | -                   |
|           | Rachna Suman Shaw                              | 16.00                 | 18.00                 | -                        | -                   |
|           | Ritesh Shaw                                    | -                     | -                     | 5.00                     | -                   |
|           | -  |                       |                       |                          |                     |
| <b>D)</b> | <b><u>Interest Expense</u></b>                 |                       |                       |                          |                     |
|           | Ayushmati Vinimay Pvt Ltd                      | 0.87                  | 10.93                 | 22.66                    | -                   |
|           | Nirmal Kumar Bhakat                            | -                     | -                     | 5.70                     | -                   |
|           | Ritesh Shaw                                    | -                     | -                     | 10.36                    | -                   |
|           | -  |                       |                       |                          |                     |
| <b>E)</b> | <b><u>Commission Paid</u></b>                  |                       |                       |                          |                     |
|           | Sumit Sengupta                                 | -                     | -                     | -                        | 1.00                |
|           | -  |                       |                       |                          |                     |
| <b>F)</b> | <b><u>Realisation from Sundry Debtors</u></b>  |                       |                       |                          |                     |
|           | Tulsi General Trading                          | -                     | 25.50                 | -                        | -                   |
|           | -  |                       |                       |                          |                     |
| <b>G)</b> | <b><u>Advance against Sales</u></b>            |                       |                       |                          |                     |
|           | Allenby Food & Beverages Pvt Ltd               | -                     | -                     | 275.00                   | -                   |
|           | -  |                       |                       |                          |                     |
| <b>H)</b> | <b><u>Payments to Sundry Creditors</u></b>     |                       |                       |                          |                     |
|           | Tulsi General Trading                          | 108.66                | -                     | 108.31                   | 50.99               |
|           | Rajesh Shaw                                    | 6.00                  | -                     | -                        | -                   |
|           | -  |                       |                       |                          |                     |
| <b>I)</b> | <b><u>Loans &amp; Advances</u></b>             |                       |                       |                          |                     |
|           | <b><u>Loan Given</u></b>                       |                       |                       |                          |                     |
|           | Asha Bhakat                                    | -                     | -                     | 1.30                     | -                   |
|           | Rachna Suman Shaw                              | -                     | 52.69                 | 0.90                     | -                   |
|           | Darsh Advisory Pvt Ltd                         | -                     | -                     | 12.57                    | -                   |
|           | Rajesh Shaw                                    | -                     | -                     | 2.10                     | -                   |
|           | -  |                       |                       |                          |                     |
|           | <b><u>Repayment Received against Loans</u></b> |                       |                       |                          |                     |
|           | Asha Bhakat                                    | -                     | -                     | -                        | 1.30                |
|           | Rachna Suman Shaw                              | -                     | 19.76                 | -                        | -                   |
|           | -  |                       |                       |                          |                     |
| <b>J)</b> | <b><u>Unsecured Loan</u></b>                   |                       |                       |                          |                     |
|           | <b><u>Loan Received</u></b>                    |                       |                       |                          |                     |
|           | Ayushmati Vinimay Pvt Ltd                      | 40.00                 | 180.19                | 174.86                   | -                   |



|  |                           |       |       |        |        |
|--|---------------------------|-------|-------|--------|--------|
|  | Darsh Advisory Pvt Ltd    | 32.66 | 37.65 | -      | -      |
|  | Shreeram Bagla            | -     | -     | 45.00  | -      |
|  | Ritesh Shaw               | -     | -     | 3.07   | 141.27 |
|  | Nirmal Kumar Bhakat       | -     | -     | 95.86  | -      |
|  |                           |       |       |        |        |
|  | <b><u>Loan Repaid</u></b> |       |       |        |        |
|  | Ayushmati Vinimay Pvt Ltd | -     | 0.82  | 411.41 | -      |
|  | Darsh Advisory Pvt Ltd    | 68.00 | 45.06 | 5.53   | -      |
|  | R S V Ispat Pvt Ltd       | 19.93 | -     | -      | -      |
|  | Asha Bhagat               | -     | 9.14  | -      | -      |
|  | Shreeram Bagla            | -     | -     | 42.11  | 2.89   |
|  | Ritesh Shaw               | -     | -     | -      | 73.11  |
|  | Nirmal Kumar Bhakat       | -     | -     | -      | 34.98  |

**Details of Year End balance of each Related Party**

(₹ in Lakhs)

| SI No     | Nature of Transaction              | As at 31st March 2020 | As at 31st March 2021 | As at 11th February 2022 | As at 31st March 2022 |
|-----------|------------------------------------|-----------------------|-----------------------|--------------------------|-----------------------|
| <b>A)</b> | <b><u>Sundry Creditors</u></b>     |                       |                       |                          |                       |
|           | Tulsi General Trading              | -                     | -                     | (18.19)                  | (14.81)               |
| <b>B)</b> | <b><u>Current Liabilities</u></b>  |                       |                       |                          |                       |
|           | Nirmal Kumar Bhakat                | 6.00                  | -                     | -                        | -                     |
|           | Sumit Sengupta                     | -                     | -                     | -                        | 0.95                  |
|           | Allenby Food & Beverages Pvt Ltd   | -                     | -                     | 275.00                   | 275.00                |
| <b>C)</b> | <b><u>Loans &amp; Advances</u></b> |                       |                       |                          |                       |
|           | Asha Bhakat                        | -                     | -                     | 1.30                     | -                     |
|           | Rachna Suman Shaw                  | -                     | 16.59                 | 17.49                    | 17.49                 |
|           | Darsh Advisory Pvt Ltd             | -                     | -                     | 12.57                    | 12.57                 |
|           | Rajesh Shaw                        | -                     | -                     | 2.10                     | 2.10                  |
| <b>D)</b> | <b><u>Unsecured Loan</u></b>       |                       |                       |                          |                       |
|           | Ayushmati Vinimay Pvt Ltd          | 40.87                 | 231.17                | 17.27                    | 17.27                 |
|           | Darsh Advisory Pvt Ltd             | 12.94                 | 5.53                  | -                        | -                     |
|           | R S V Ispat Pvt Ltd                | -                     | -                     | -                        | -                     |
|           | Asha Bhagat                        | 9.14                  | -                     | -                        | -                     |
|           | Shreeram Bagla                     | -                     | -                     | 2.89                     | -                     |
|           | Ritesh Shaw                        | -                     | -                     | 3.07                     | 71.23                 |
|           | Nirmal Kumar Bhakat                | -                     | -                     | 95.86                    | 60.88                 |

**DETAILS OF CAPITALIZATION STATEMENT AS RESTATED**
**(₹ in Lakhs)**

| Particulars                                | Pre-Issue     | Post Issue |
|--|---------------|------------|
| <b>Borrowings</b>                          |               |            |
| Short Term Debt (A)                        | 381.28        | [•]        |
| Long Term Debt (B)                         | 250.87        |            |
| <b>Total Debts (C)</b>                     | <b>632.16</b> |            |
|  |               |            |
| <b>Shareholders' Funds</b>                 |               |            |
| Equity Share Capital                       | 10.00         |            |
| Reserve and Surplus - as restated          | 55.39         |            |
|  |               |            |
| <b>Total Shareholders' Funds</b>           | <b>65.39</b>  |            |
|  |               |            |
| <b>Long Term Debt / Shareholders Funds</b> | 3.84          |            |
| <b>Total Debt / Shareholders Funds</b>     | 9.67          |            |

**Notes:**

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2022.
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. 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.

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## **OTHER FINANCIAL INFORMATION**

For Details on other financial information please refer to page no. 165 - Statement of Mandatory Accounting Ratios under the chapter titled 'Financial Statements as Restated' beginning on page 140 of this Draft Red Herring Prospectus.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*The following discussion is intended to convey management's perspective on our financial condition and results of operations for the financial year ended March 31, 2022. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page 140 of the Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 23 of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 17 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Annapurna Swadisht Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for Financial Year 2022 included in this Draft Red Herring Prospectus beginning on page 140 of this Draft Red Herring Prospectus.*

### **BUSINESS OVERVIEW**

Our company was originally formed as Partnership Firm in the name and style of "M/s Annapura Agro Industries" through partnership deed dated November 27, 2015. Subsequently the constitution of partnership firm was changed through partnership deed dated May 15, 2016, dated April 1, 2018, dated April 1, 2019 and dated February 11, 2020. Further, the Partnership Firm was converted into Private Limited Company "Annapurna Swadisht Private Limited" on February 11, 2022, under Part I (Chapter XXI) of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently, our Company was converted into a public limited company pursuant to approval of the Shareholders at an Extraordinary General meeting held on June 28, 2022, and consequently, the name of our Company was changed to "Annapurna Swadisht Limited" and a Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company was issued by Registrar of Companies, Kolkata on July 8, 2022. The Corporate Identification Number of our Company is U15133WB2022PLC251553.

Our Company is manufacturer of snacks and food products, namely, Gohona Bori, Fryums, cakes, candies and namkeen and chips. Our key raw materials include refined flour, palm oil, spices and laminates. Our Company use raw material of premium quality sourced from reputed local suppliers, which help us to ensure the quality of our products. With our promoter's experience of over fifteen years in the sphere of manufacturing and trading of namkeen, chips, fryums, cakes, we understand effective market trends and demand, which has enabled us to cater various industries such as Fast-Moving Consumer Goods (FMCG) industries, other traders, retailers and industries which has products as their ingredients for final product. Dedicated employees forming the part of our Company, we have grown from strength to strength under the dynamic leadership of our promoters and directors. The combined experience has propelled our Company to source and cater to the specific needs of various customers.

The Company is in business of manufacturing and trading of various snacks and food products namely, Gohona Bori, fryums, cakes, candies and namkeen and chips and other related items.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD**

As per mutual discussion between the Board of the Company and BRLM, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:



- The authorized capital of the Company has been increased from ₹15,00,00,000 to ₹16,00,00,000 by creation of 10,00,000 new Equity Shares of ₹10 each vide ordinary resolution passed at the Extra-Ordinary General Meeting held on June 28, 2022.
- The Board of Directors of our Company have been authorised to borrow upto ₹100 crores vide special resolution passed at the Extra-Ordinary General Meeting held on June 28, 2022.
- The Board of Directors of our Company have been authorised to raise the funds by way of Initial Public Offering vide special resolution passed at the Extra-Ordinary General Meeting held on July 1, 2022.
- The Shareholders of our Company appointed Mr. Shreeram Bagla as Managing Director, and Mr. Sumit Senguta and Mr. Rajesh Shaw as Whole-Time Director in the Extra Ordinary General Meeting held on July 1, 2022.
- The Shareholders of our Company appointed Mr. Chandan Ghosh, Mr. Sandip Maiti and Mrs. Hitu Gambhir Mahajan as Independent Directors in the Extra Ordinary General Meeting held on July 1, 2022.
- The authorized capital of the Company has been increased from ₹16,00,00,000 to ₹18,00,00,000 by creation of 20,00,000 new Equity Shares of ₹10 each vide ordinary resolution passed at the Extra-Ordinary General Meeting held on July 9, 2022.

### **SIGNIFICANT 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 23 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Government spending on Food Sector;
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Failure to adapt to the changing needs of industry and in particular food Sector may adversely affect our business and financial condition;
- Volatility in the Indian and global capital market;

### **DISCUSSION ON RESULT OF OPERATION**

#### ***Our Significant Accounting Policies***

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “Financial Statements” beginning on page 140 of the Draft Red Herring Prospectus.

#### ***Overview of Revenue & Expenditure***

Our revenue and expenses are reported in the following manner:

#### **Revenues**

##### **◆ Revenue of operations**

Our Company’s revenue is primarily generated from sale of packaged food products and snacks.



#### ◆ Other Income

Our other income mainly consists of interest from banks and commission.

(₹ In Lakhs)

| Revenue                 | For the year/period ended March 31, |                 |                 |
|-------------------------|-------------------------------------|-----------------|-----------------|
|                         | March 31, 2022*                     | March 31, 2021  | March 31, 2020  |
| Revenue from operations | 6,104.66                            | 2,029.31        | 1,374.44        |
| As a % of total Income  | 99.99%                              | 99.97%          | 99.99%          |
| Other Income            | 0.80                                | 0.68            | 0.11            |
| As a % of Total Income  | 0.04%                               | 0.03%           | 0.01%           |
| <b>Total Revenue</b>    | <b>6,105.46</b>                     | <b>2,029.99</b> | <b>1,374.55</b> |

\*Consolidated figured for the period from 01-04-2021 to 11-02-2022 (i.e. for the pre-conversion period) and from 12-02-2022 to 31-03-2022 (for post-conversion period).

#### Expenditure

Our total expenditure primarily consists of purchase of raw material (namely refined flour, palm oil, spices and laminates), employee benefit expenses, finance costs, depreciation and amortization expenses and other expenses.

#### ◆ Raw Materials

Our key raw materials include refined flour, palm oil, spices and laminates. Our Company use raw material of premium quality sourced from particular suppliers handpicked based on a standard operating procedure for evaluation of suppliers which includes on-site inspection and supplier verifications, which help us to ensure the quality of our products. For further details of raw materials please refer Chapter titled “Our Business” on page 86 of this Draft Red Herring Prospectus.

#### ◆ Employment Benefit Expenses

It includes Salaries and wages and other expenses.

#### ◆ Other Expenses

It includes power and fuel, rents, transportation charges, selling and distribution expenses and other expenses.

#### ◆ Finance Costs

Our finance costs mainly include Bank charges and interest and other borrowing costs.

#### ◆ Depreciation

Depreciation has been provided as per the useful life prescribed under schedule II of the Companies Act,2013 on Written down Value (WDV) Method on pro rata basis.

#### RESULTS OF OUR OPERATION

(₹ In Lakhs)

| Particulars             | 31-Mar-22* | 31-Mar-21 | 31-Mar-20 |
|-------------------------|------------|-----------|-----------|
| <b>Incomes:</b>         |            |           |           |
| Revenue from Operations | 6,104.66   | 2,029.31  | 1,374.44  |
| % of total revenue      | 99.99%     | 99.97%    | 99.99%    |
| % Increase/(Decrease)   | 200.82%    | 47.65%    | 17.72%    |
| Other income            | 0.80       | 0.68      | 0.11      |
| % of total revenue      | 0.04%      | 0.03%     | 0.01%     |
| % Increase/(Decrease)   | 18.21%     | 495.97%   | 1422.25%  |



| Particulars   | 31-Mar-22*      | 31-Mar-21       | 31-Mar-20       |
|---|-----------------|-----------------|-----------------|
| <b>Total Revenue</b>                                | <b>6,105.46</b> | <b>2,029.99</b> | <b>1,374.55</b> |
| % Increase/(Decrease)                               | 200.76%         | 47.68%          | 17.73%          |
| <b>Expenses:</b>                                    |                 |                 |                 |
| Cost of Materials Consumed                          | 4,743.46        | 1,611.90        | 1,147.98        |
| % of total revenue                                  | 77.69%          | 79.40%          | 83.52%          |
| % Increase/(Decrease)                               | 194.28%         | 40.41%          | 11.65%          |
| (Increase)/Decrease in Inventories                  | -410.32         | -116.06         | 45.71           |
| % of total revenue                                  | -6.72%          | -5.72%          | 3.33%           |
| % Increase/(Decrease)                               | 253.53%         | -353.90%        | -576.11%        |
| Other Expenses                                      | 990.79          | 299.52          | 58.30           |
| % of total revenue                                  | 16.23%          | 14.75%          | 4.24%           |
| % Increase/(Decrease)                               | 230.79%         | 413.80%         | 38.11%          |
| Employee Benefit expenses                           | 267.34          | 86.33           | 45.40           |
| % of total revenue                                  | 4.38%           | 4.25%           | 3.30%           |
| % Increase/(Decrease)                               | 209.68%         | 90.15%          | 68.66%          |
| <b>Total Expense</b>                                | <b>5,591.27</b> | <b>1,881.69</b> | <b>1,297.39</b> |
| % of total revenue                                  | 91.58%          | 92.69%          | 94.39%          |
| % Increase/(Decrease)                               | 197.14%         | 45.04%          | 19.28%          |
| <b>Profit before Interest, Depreciation and Tax</b> | <b>514.19</b>   | <b>148.30</b>   | <b>77.16</b>    |
| % of total revenue                                  | 8.42%           | 7.31%           | 3.80%           |
| Depreciation and amortization Expenses              | 84.27           | 45.13           | 21.39           |
| % of total revenue                                  | 1.38%           | 2.22%           | 1.56%           |
| % Increase/(Decrease)                               | 86.72%          | 110.99%         | -9.30%          |
| <b>Profit before Interest and Tax</b>               | <b>429.92</b>   | <b>103.17</b>   | <b>55.77</b>    |
| % of total revenue                                  | 7.04%           | 5.08%           | 4.06%           |
| Financial Charges                                   | 86.27           | 23.85           | 3.26            |
| % of total revenue                                  | 1.41%           | 1.17%           | 0.24%           |
| % Increase/(Decrease)                               | 262%            | 631%            | -77%            |
| <b>Profit before Tax and Extraordinary Expenses</b> | <b>343.65</b>   | <b>79.32</b>    | <b>52.51</b>    |
| % of total revenue                                  | 5.63%           | 3.91%           | 3.82%           |
| Extraordinary Expenses                              | -               | -               | -               |
| % of total revenue                                  | 0.00%           | 0.00%           | 0.00%           |
| % Increase/(Decrease)                               | 0.00%           | 0.00%           | 0.00%           |
| <b>Restated Profit/(Loss) before tax</b>            | <b>343.65</b>   | <b>79.32</b>    | <b>52.51</b>    |
| % of total revenue                                  | 5.63%           | 3.91%           | 3.82%           |
| % Increase/(Decrease)                               | 333.25%         | 51.06%          | 24.50%          |
| <b>Tax expenses/(income)</b>                        |                 |                 |                 |
| Provisions for Tax                                  | 102.61          | 28.19           | 18.21           |
| Provisions for Deferred Tax                         | 0.14            | -               | -               |
| <b>Total tax expenses</b>                           | <b>102.75</b>   | <b>28.19</b>    | <b>18.21</b>    |
| % of total revenue                                  | 1.68%           | 1.39%           | 1.33%           |
| <b>Restated profit/(loss) after Tax</b>             | <b>240.90</b>   | <b>51.13</b>    | <b>34.29</b>    |
| % of total revenue                                  | 3.95%           | 2.52%           | 2.49%           |
| % Increase/(Decrease)                               | 371.17%         | 49.09%          | 21.72%          |

\*Consolidated figured for the period from 01-04-2021 to 11-02-2022 (i.e. for the pre-conversion period) and from 12-02-2022 to 31-03-2022 (for post-conversion period).

## REVIEW OF OPERATIONS FOR THE PERIOD ENDED MARCH 31, 2022

### Income from Operations

Our revenue from operations for the period ended March 31, 2022 was ₹ 6,104.66 Lakhs which was about 99.99% of the total revenue and which includes revenue from sale of processed food and snacks.



### **Other Income**

Our other income for the period ended March 31, 2022 was ₹ 0.80 Lakhs which was about 0.01% of the total revenue and which includes interest income and discounts received.

### **Expenditure**

#### **Cost of Materials Consumed**

The Purchase of raw material for the period ended March 31, 2022 were ₹ 4,743.46 Lakhs which was about 77.69% of the total revenue and which includes refined flour, palm oil, spices and laminates.

#### **Employee Benefits expenses**

The employee benefits expenses for the period ended March 31, 2022 were ₹ 267.34 Lakhs which was about 4.38% of the total revenue and which includes salaries and wages.

#### **Other Expenses**

Other Expenses for the period ended March 31, 2022 were ₹ 990.79 Lakhs which was about 16.23% of the total revenue and which includes power and fuel, rents, transportation charges, selling and distribution expenses and other expenses.

#### **EBITDA**

Our EBITDA for the period ended March 31, 2022 were ₹ 514.19 Lakhs.

#### **Depreciation**

Depreciation for the period ended March 31, 2022 were ₹84.27 Lakhs which was about 1.38% of the total revenue and which consists of depreciation and amortization on plant and machinery.

#### **Financial Costs**

Financial costs for the period ended March 31, 2022 were ₹ 86.27 Lakhs which was about 1.41% of the total revenue and which consists of interest expenses and Bank charges.

#### **Profit /(Loss) Before Tax**

PBT for the period ended March 31, 2022 was ₹ 343.65 Lakhs.

#### **Profit /(Loss) After Tax**

PAT for the period ended March 31, 2022 was ₹ 240.90 Lakhs.

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

#### **Income**

Total revenue has increased by ₹4,075.47 Lakhs and 200.76% from ₹2,029.99 Lakhs in the fiscal year ended March 31, 2021 to ₹6,105.46 Lakhs in the fiscal year ended March 31, 2022. The increase in revenue is on account of increase in sale with the expansion of geography.

#### **Expenditure**

Total Expenditure increased by ₹3,811.14 Lakhs and 195.38%, from ₹ 1,950.67 Lakhs in the fiscal year ended March 31, 2021 to ₹5,761.81 Lakhs in the fiscal year ended March 31, 2022. Overall expenditure has increased mainly due to increase production and scale of operations.





### **Cost of Materials Consumed**

Cost of Materials Consumed in terms of value and percentage increased by ₹3,131.56 Lakhs and 194.28% from ₹1,611.90 Lakhs in the fiscal year ended March 31, 2021 to ₹4,743.46 Lakhs in the fiscal year ended March 31, 2022. Cost of materials consumed has increased due to increase in production and scale of operation.

### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value and percentage increased by ₹ 181.01 Lakhs and 209.68% from ₹ 86.33 Lakhs in the fiscal year ended March 31, 2021 to ₹ 267.34 Lakhs in the fiscal year ended March 31, 2022. The employee cost has increased with the increase in overall production and no. of employees.

### **Other Expenses**

Other Expenses in terms of value and percentage increased by ₹ 691.27 Lakhs and 230.79% from ₹ 299.52 Lakhs in the fiscal year ended March 31, 2021 to ₹ 990.79 Lakhs in the fiscal year ended March 31, 2022. Other Expenses has increased mainly due to increase in power and fuel consumption, rents, transportation charges, selling and distribution expenses and other expenses with increase in overall production.

### **Profit before Interest, Depreciation and Tax**

Profit before Interest, Depreciation and Tax has increased by ₹ 365.90 Lakhs and 246.73% from ₹ 148.30 Lakhs in the fiscal year ended March 31, 2021 to ₹ 514.19 Lakhs in the fiscal year ended March 31, 2022. Profit before Interest, Depreciation and Tax has increased due to increase in revenue from operations.

### **Depreciation & Amortization Expenses**

Depreciation in terms of value and percentage increased by ₹ 39.14 Lakhs and 86.72% from ₹ 45.13 Lakhs in the fiscal year ended March 31, 2021 to ₹ 84.27 Lakhs in the fiscal year ended March 31, 2022. The increase in depreciation is on account of depreciation on new plant and machinery.

### **Finance Costs**

Finance Costs in terms of value and percentage decreased by ₹ 62.42 Lakhs and 262% from ₹23.85 Lakhs in the fiscal year ended March 31, 2021 to ₹86.27 Lakhs in the fiscal year ended March 31, 2022. Finance Costs has increased mainly due to higher interest outgo on borrowings.

### **Net Profit after Tax and Extraordinary items**

Net Profit has increased by ₹189.77 Lakhs and 371.17% from profit of ₹51.13 Lakhs in the fiscal year ended March 31, 2021 to profit of ₹ 240.90 Lakhs in the fiscal year ended March 31, 2022. Net profit has increased due to increase in revenue from operations.

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

### **Income**

Total revenue has increased by ₹ 655.44 Lakhs and 47.68% from ₹ 1,374.55 Lakhs in the fiscal year ended March 31, 2020 to ₹2,029.99 Lakhs in the fiscal year ended March 31, 2021. The increase in revenue is on account of increase in sale with the expansion of geography.

### **Expenditure**

Total Expenditure increased by ₹ 628.62 Lakhs and 47.55%, from ₹ 1,322.05 Lakhs in the fiscal year ended March 31, 2020 to ₹1,950.67 Lakhs in the fiscal year ended March 31, 2021. Overall expenditure has increased mainly due to increase production and scale of operations.



### **Cost of Materials Consumed**

Cost of Materials Consumed in terms of value and percentage increased by ₹463.92 Lakhs and 40.41% from ₹1,147.98 Lakhs in the fiscal year ended March 31, 2020 to ₹1,611.90 Lakhs in the fiscal year ended March 31, 2021. Cost of materials consumed has increased due to increase in production and scale of operation.

### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value and percentage increased by ₹ 40.93 Lakhs and 90.15% from ₹ 45.40 Lakhs in the fiscal year ended March 31, 2020 to ₹ 86.33 Lakhs in the fiscal year ended March 31, 2021. The employee cost has increased with the increase in overall production and no. of employees.

### **Other Expenses**

Other Expenses in terms of value and percentage increased by ₹241.23 Lakhs and 413.80% from ₹ 58.30 Lakhs in the fiscal year ended March 31, 2020 to ₹ 299.52 Lakhs in the fiscal year ended March 31, 2021. Other Expenses has increased mainly due to increase in power and fuel consumption, rents, transportation charges, selling and distribution expenses and other expenses with increase in overall production.

### **Profit before Interest, Depreciation and Tax**

Profit before exceptional & extraordinary items and Tax has increased by ₹ 71.14 Lakhs and 92.19% from ₹ 77.16 Lakhs in the fiscal year ended March 31, 2020 to ₹ 148.30 Lakhs in the fiscal year ended March 31, 2021. Profit before exceptional & extraordinary items and Tax has increased due to increase in revenue from operations.

### **Depreciation & Amortization Expenses**

Depreciation in terms of value and percentage increased by ₹ 23.74 Lakhs and 110.99% from ₹ 21.39 Lakhs in the fiscal yearended March 31, 2020 to ₹45.13 Lakhs in the fiscal year ended March 31, 2021. The increase in depreciation is on account of depreciation on new plant and machinery.

### **Finance Costs**

Finance Costs in terms of value and percentage increased by ₹ 20.58 Lakhs and 86.31% from ₹ 3.26 Lakhs in the fiscal year ended March 31, 2020 to ₹ 23.85 Lakhs in the fiscal year ended March 31, 2021. Finance Costs has increased mainly due to higher interest outgo on increased borrowings.

### **Net Profit after Tax and Extraordinary items**

Net Profit has increased by ₹ 26.81 Lakhs and 51.06% from profit of ₹ 52.51 Lakhs in the fiscal year ended March 31, 2020 to profit of ₹ 79.32 Lakhs in the fiscal year ended March 31, 2021. Net profit has increased due to increase in revenue from operations.

### **INFORMATION REQUIRED AS PER ITEM (II) (C) (I) OF PART A OF SCHEDULE VI TO THESEBI REGULATIONS:**

#### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in the section titled "Risk Factors" beginning on page 23 of this Draft Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.



**3. Income and Sales on account of major product/main activities**

Income and sales of our Company on account of major products/ main activities derives from manufacturing and trading of various snacks and food products namely, Gohona Bori, fryums, cakes, candies and namkeen and chips and other related items.

**4. Whether the company has followed any unorthodox procedure for recording sales and revenues**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

**5. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**

Our Company's future costs and revenues can be impacted by an increase in labour costs as the company looks to hire talent with new skills and capabilities for the digital economy who may be in short supply.

**6. Future relationship between Costs and Income**

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, foreign exchange rates and interest rates quoted by banks & others.

**7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in our revenues are by and large linked to increases in the volume of business.

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

The Company is operating in Food Industry. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 80 of this Draft Red Herring Prospectus.

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## FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount subject to members approval from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on March 31, 2022 our Company has total outstanding secured borrowings from banks and financial institutions aggregating to Rs 597.15 lakhs.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a consolidated basis as of March 31, 2022:

### Secured

| Name of persons/companies           | Outstanding as on March 31, 2022 (₹ in Lakhs) | Rate of Interest  | Nature of Tenure  |
|-------------------------------------|---|---|---|
| <b>Secured Loans</b>                |   |   |   |
| <b>Term Loans</b>                   |   |   |   |
| Tata Capital Financial Services Ltd | 54.05   | 11% p.a. i.e. ROI equal to LTLR less 8.25% subject to minimum of 10.50% p.a.    | Repayable in 60 equal monthly installments and monthly interest thereon to be serviced as and when applied including during grace/moratorium  |
| Tata Capital Financial Services Ltd | 154.11  | 10.75% p.a. i.e. ROI equal to LTLR less 8.50% subject to minimum of 10.25% p.a. | Repayable in 60 equal monthly installments and monthly interest thereon to be serviced as and when applied including during grace / moratorium  |
| <b>Working Capital Loans</b>        |   |   |   |
| Axis Bank Ltd                       | 346.28  | Repo rate + 3.25%   | Repayable on Demand   |
| <b>Vehicle Loans</b>                |   |   |   |
| Axis Bank Ltd                       | 22.09   | 7.10% p.a. i.e. ROI .   | Repayable in 60 equal monthly installments of ₹ 44,560/- monthly commencing from 01.03.2022 and monthly interest thereon to be serviced as and when applied including during grace / moratorium |
| Axis Bank Ltd                       | 20.62   | 7.10% p.a. i.e. ROI .   | Repayable in 60 equal monthly installments of ₹ 41,681/- monthly commencing from 10.03.2022 and monthly interest thereon to be serviced as and when applied including during grace / moratorium |



**Unsecured**

| <b>Name of persons/companies</b>                  | <b>Outstanding as on<br/>March 31, 2022</b> | <b>Rate of<br/>Interest</b> | <b>Nature of Tenure</b>  |
|---|---|-----------------------------|--|
| <b>Loan from Director/ Directors<br/>Relative</b> |   |                             |  |
| Ritesh Shaw                                       | 71.23                                       | -                           | To strengthen the working capital margin                               |
| Nirmal Kumar Bhakat                               | 60.88                                       | -                           |  |
| Adarsh Karva                                      | 2.87  | 9%                          |  |
|   |   |                             |  |
| <b>Inter Corporate Loans</b>                      |   |                             |  |
| Ayushmati Vinimay Pvt. Ltd.                       | 17.27                                       | 9%                          | To meet working capital requirements of<br>the business of our Company |

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## SECTION X - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except, as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.*

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company, including fines imposed or compounding of offences done in those five years;
- f) material frauds committed against our Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings where in the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Draft Red Herring Prospectus.



**I. Litigations involving our Company**

**A. Against our Company:**

*Civil Cases*

| Sr. No. | Case No.                | Court Name  | Plaintiff/ Petitioner/ Complainant | Defendant/ Respondent             | Amount Involved | Status Of Litigation  |
|---------|-------------------------|---|------------------------------------|-----------------------------------|-----------------|---|
| 1       | CS (COMM.) No. 358/2021 | District Judge (Commercial Court)-01, Tis Hazari Courts, West District, Delhi | M/s. Pratap Snacks Limited         | Annapurna Agro Industries Limited | -               | The Ld. Court appointed a local commissioner for conducting inspection/ search of the locality where defendant is causing infringement of plaintiff's registered trademark. |

**B. By our Company:**

*Civil Cases: NIL*

**II. Litigations involving our Promoters/Directors**

**A. Against our Promoters/Directors**

*Criminal Case: NIL*

**B. By our Promoters/Directors**

Nil

**III. Litigations involving our Group Entities**

**A. Against our Group Entities**

Nil

**B. By our Group Entities:**

Nil

**IV. Litigations relating to the Subsidiary Company**

**A. Against Directors of our Subsidiary Company Nil**

**B. By Directors of our Subsidiary Company Nil**

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

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

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.



## VI. Details of the past penalties imposed on our Company / Directors

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

## VII. Outstanding dues to Creditors

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on March 31, 2022, our Company had outstanding dues to creditors as follows:

| <i>(Amount in Lakh)</i>             |                |
|-------------------------------------|----------------|
| Particulars                         | March 31, 2022 |
| <b>Trade Payables</b>               |                |
| Micro, Small and Medium Enterprises | 0.00           |
| Others                              | 786.20         |
| <b>Total</b>                        | <b>786.20</b>  |

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website [www.annapurnasnacks.in](http://www.annapurnasnacks.in) would be doing so at their own risk.

## VIII. Material developments occurring after last balance sheet date, that is March 31, 2022.

Except as disclosed in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Company beginning on page number 172 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

### We certify that except as stated herein above:

- a. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters, group entities, companies promoted by the promoters during the past three years.
- b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. There are no litigations against the Promoters / Directors in their personal capacity.
- g. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- h. *There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of our promoters, group company's entities, entities promoted by the promoters of our company.*





- i. There is no status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our Directors. Further, none of our Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
- j. The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.
- k. ***Neither the Company nor any of its promoters or directors is a willful defaulter.***

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## GOVERNMENT AND OTHER APPROVALS

*In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 109 of the Draft Red Herring Prospectus.*

### CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on June 28, 2022, has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated July 1, 2022 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

### IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

### AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated July 8, 2022, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
2. The Company has also entered into an agreement dated June 30, 2022, with the National Securities Depository Limited (NSDL), and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE0MGM01017

### INCORPORATION DETAILS OF OUR COMPANY

| S.N. | Authorisation granted  | Issuing Authority                          | CIN/Registration No.  | Date of Issue     | Valid upto |
|------|--|--|-----------------------|-------------------|------------|
| 1.   | Certificate of Incorporation in the name of - <i>Annapurna Swadisht Private Limited</i> upon conversion of the partnership firm M/s. Annapurna Agro Industries | ROC, Central Registrati on Centre, Manesar | U15133WB2022PTC251553 | February 11, 2022 | Perpetual  |
| 2.   | Fresh Certificate of Incorporation upon conversion of the Company from Private to Public company in the name of <i>“Annapurna Swadisht Limited”</i>            | ROC, West Bengal                           | U15133WB2022PLC251553 | July 8, 2022      | Perpetual  |



## TAX RELATED AUTHORISATIONS

| S.No. | Authorization granted                      | Issuing Authority                         | Registration No./Reference No./License No. | Date of Issue | Validity                 |
|-------|--|---|--|---------------|--------------------------|
| 1.    | Permanent Account Number                   | Income Tax Department, GoI                | AAWCA5249E                                 | 11/02/2022    | Perpetual                |
| 2.    | Tax Deduction Account Number               | Income Tax Department, GoI                | CALA30840F                                 | 11/02/2022    | Perpetual                |
| 3.    | GST Registration Certificate (West Bengal) | Central Board of Excise and Custom (CBEC) | 19AAWCA5249E1Z8                            | 27/05/2022    | Valid until cancellation |

## BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

| Sr. No. | Authorization granted  | Issuing Authority                       | Registration No./Reference No./License No. | Date of Issue | Valid Upto |
|---------|--|---|--|---------------|------------|
| 1.      | FSSAI License under Food Safety and Standards Authority of Indian License FSS Act, 2006. | Department of Health and Family Welfare | 12819023000178                             | 24-05-2022    | 03-07-2023 |

## FACTORY AND LABOUR RELATED APPROVALS/ CERTIFICATIONS

Following significant government and other approvals pertaining to our Factory and Labour:

| Sr. No. | Authorization granted   | Issuing Authority                             | Registration No./Reference No./License No. | Applicable Act/ Regulation  | Date of Issue | Valid upto               |
|---------|---|---|--|---|---------------|--------------------------|
| 1.      | Fire License  | Collector, Fire License, Govt. of West Bengal | FSR/0125186209102920                       | The West Bengal Fire Services Act, 1950   | 29-04-2021    | 28-04-2024               |
| 2.      | No Objection Certificate (Consent to Establish) for Siliguri Unit | West Bengal Pollution Control Board           | N0171511                                   | Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981 | 20-01-2022    | 19-01-2029               |
| 3.      | No Objection Certificate (Consent to Operate) for Siliguri Unit   | West Bengal Pollution Control Board           | C0132455                                   | Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981 | 22-02-2022    | 28-02-2027               |
| 4.      | Provident Fund Registration                                       | Office of Regional Provident Fund             | WBDGP2321617000                            | Employees Provident Fund and Miscellaneous  | 07-03-2021    | Valid until cancellation |



| Sr. No. | Authorization granted | Issuing Authority                        | Registration No./Reference No./License No. | Applicable Act/Regulation                                | Date of Issue | Valid upto               |
|---------|-----------------------|--|--|--|---------------|--------------------------|
|         |                       | Commissioner West Bengal                 |  | Provisions Act, 1952 and the schemes framed there under. |               |                          |
| 5.      | ESIC Registration     | The Regional Director West Bengal Region | 74000715790000999                          | Employees State Insurance Act, 1948                      | 07-03-2021    | Valid until cancellation |

All the above Licenses are held in the name of partnership firm i.e. Annapurna Agro Industries. Application for transfer of the Licenses has already been filed and the same is under process.

| Sr. No. | Authorization granted  | Issuing Authority                               | Registration No./Reference No./License No. | Applicable Act/Regulation   | Date of Issue | Valid upto               |
|---------|--|---|--|---|---------------|--------------------------|
| 1.      | Udyog Aadhaar Memorandum   | Ministry of Micro, Small and Medium Enterprises | UDYAM-WB-10-0047971                        | Small Enterprises as per MSMED Act, 2006  | 13-06-2022    | Valid until cancellation |
| 2.      | No Objection Certificate (Consent to Establish) for Asansol Unit | West Bengal Pollution Control Board             | N0166074                                   | Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981 | 05-07-2022    | Valid until cancellation |
| 3.      | No Objection Certificate (Consent to operate) for Asansol Unit   | West Bengal Pollution Control Board             | C0122600                                   | Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981 | 11-07-2022    | 30-06-2027               |
| 4.      | Professional Tax   | Finance Department, Govt of West Bengal         | 20220081383                                | The West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979                      | 01-04-2021    | 31-03-2023               |

## INTELLECTUAL PROPERTY

Our Company has applied for the following trademarks:

| Sr. No | Mark | Application No. | Class | Proprietor                 | Date of Application | Date of Expiry | Registration Status |
|--------|------|-----------------|-------|----------------------------|---------------------|----------------|---------------------|
| 1.     |      | 5510638         | 30    | Annapurna Swadisht Limited | 29-06-2022          | Not Applicable | Under Process       |

The Details of Domain Names Registered in the Name of the Company:

| Sr. No. | Domain Name and ID   | Registrant Name and Registrant Organization | Registration Expiry Date |
|---------|--|---|--------------------------|
| 1.      | <a href="http://www.annapurnashacks.in">www.annapurnashacks.in</a> | Annapurna Swadisht Limited                  | 27-08-2022               |



**Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/Licenses required for the proposed expansion**

NIL

*Note : Above approvals are in the name of M/s Annapurna Agro Industries which is converted into Annapurna Swadisht Limited and the Company is in the process of taking all the approval in the name of the Company.*

**IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.**

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## SECTION XI- OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

1. This Issue has been authorised by a resolution passed by our Board of Directors at its meeting held on July 8, 2022.
2. The Shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62(1(c) of the Companies Act, 2013, at its EGM held on July 9, 2022 and authorised the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated [•] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved this Draft Red Herring Prospectus through its resolution dated July 20, 2022.

We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “Government and Other Approvals” beginning on page 186 of this Draft Red Herring Prospectus.

### Confirmation:

- Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our Company, our Promoters, Promoters’ Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, our and Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

- The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Prohibition by RBI or Governmental authority
- Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.
- Our directors have not been declared as wilful defaulter by RBI or any other government authority and there has been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.
- Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations
- None of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### ELIGIBILITY FOR THIS ISSUE

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- Neither our promoters, nor any directors of our company 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 or our directors, is a Wilful Defaulter or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital will be more than ₹ 1,000 Lakh, and can issue Equity Shares to the public and propose to list the same on the EMERGE Platform of National Stock Exchange of India Limited.

**We confirm that:**

- In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the Book Running Lead Manager to the Offer will underwrite at least 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to “General Information – Underwriting” on page 51 of this Draft Red Herring Prospectus.
- In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case
- In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Book Running Lead Manager shall ensure that the Issuer shall file a copy of the Draft Red Herring Prospectus/Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Draft Red Herring Prospectus/Prospectus with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Book Running Lead Manager and the EMERGE Platform of NSE.

- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled —General Information – Details of the Market Making Arrangements for this Issue on page 52 of this Draft Red Herring Prospectus.

In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.

In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued. For more details please refer page 211 of this Draft Red Herring Prospectus.

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

In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

**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:**

***Incorporation: The Company shall be incorporated under the Companies Act, 1956/2013.***

Our Company has been incorporated under the Companies Act, 2013 in India.

Our Company was incorporated on 22/01/2019 under the Companies Act, 2013



**Post Issue Paid up Capital:** The post issue paid up capital of the company (face value) shall not be more than ₹ 2,500.00 Lakh.

The present paid-up capital of our Company is ₹12,10,00,000 and we are proposing issue of 43,22,000 Equity Shares of ₹ 10/- each at issue price of ₹ [•] per Equity Share including share premium of ₹ [•] per Equity Share, aggregating to ₹[•] Lakh. Hence, our Post Issue Paid up Share Capital will be approximately ₹ [•] Lakh which less than ₹ [•] Lakh

**Positive Net worth**

Net worth of the Company as on March 31, 2022 is ₹755.39 Lakhs.

**Track record - The company or the partnership/proprietorship/LLP Firm or the firm which have been converted into the company should have combined track record of at least 3 years**

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

Our Company got incorporated on February 11, 2022 upon conversion of the partnership firm M/s. Annapurna Agro Industries, which was form on November 27, 2015, and therefore has a track record as specified by National Stock Exchange of India Limited.

**The Company has combined positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth is positive**

(₹ In Lakh)

| Particulars               | 31st March, 2022 | 31st March, 2021 | 31st March, 2020 |
|---------------------------|------------------|------------------|------------------|
| Share Capital             | 700.00           | 231.21           | 82.67            |
| Add: Reserves and Surplus | 55.39            | -                | -                |
| Net Worth                 | 755.39           | 231.21           | 82.67            |

Net worth includes Share Capital and Reserves (excluding revaluation reserves), Miscellaneous Expenditure not written-off, if any & Debit Balances of Profit and Loss Account not written-off, if any)

**The Company have distributable profits as detailed below in terms of Section 123 of Companies Act, 2013. (As Restated):**

| Particulars   | 31st March, 2022 | 31st March, 2021 | 31st March, 2020 |
|---|------------------|------------------|------------------|
| Net Profit after tax (as restated) calculated as per section 123 of the Companies Act, 2013 | 240.90           | 51.13            | 34.29            |

**Other Requirements**

- Our company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against our Company and Promoting companies
- Our Company has not received any winding up petition admitted by a NCLT/Court.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our Company
- It is mandatory for the company to have a website

The Company has a website: <https://www.annapurnasnacks.in/>

- It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.
- To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
  - tripartite agreement dated June 30, 2022 with NSDL, our Company and Registrar to the Issue;
  - tripartite agreement dated July 8, 2022 with CDSL, our Company and Registrar to the Issue;





- The Company's shares bear an ISIN: INE0MGM01017
- There should not be any change in the Promoters of the company in preceding one year from date of filing the application to NSE for listing under SME segment.
- None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.

Further, except as mentioned in this Section titled "Outstanding Litigation and Material Developments" on page 182 there has been no violation of any Securities Law committed by any of them in the past and no such proceedings are currently pending against any of them.

**We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.**

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

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

**THE DUE DILIGENCE CERTIFICATE TO BE SUBMITTED AS PER FORM A OF SCHEDULE V INCLUDING ADDITIONAL CONFIRMATION AS PROVIDED IN FORM G OF SCHEDULE V IS PRODUCED AS UNDER:**

**WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:



- A. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE MATERIAL DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
  4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
  5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.
  6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.
  7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE**
  8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – **NOTED FOR COMPLIANCE**
  9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.



10. WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS: A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
14. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

**ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING EMERGE PLATFORM OF NSE.**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED DRAFT RED HERRING PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - **NOTED FOR COMPLIANCE**.
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALIZATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE**.



- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE- **NOTED FOR COMPLIANCE.**

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website <https://www.annapurnasnacks.in/> would be doing so at his or her own risk.

#### **Caution**

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, etc. The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Price Information and the track record of the past Issues handled by the Book Running Lead Manager

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Annexure A' to the Prospectus and the website of the Book Running Lead Manager at <https://www.ccvindia.com/>

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakh, pension funds with minimum corpus of ₹ 2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in



compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE**

**“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [●] dated [●] permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”**

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.**

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (—U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, —U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **FILING**

The Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, at Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051.

After getting in-principal approval from NSE, a copy of the prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Kolkata, West Bengal.

A copy of the prospectus shall be filed with SEBI immediately upon filing of the Offer document with Registrar of Companies in term of Regulation 246 of the SEBI (ICDR) Regulations, 2018. However, SEBI shall not issue any observation on the prospectus.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

“Any person who:

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,



*Shall be liable to action under Section 447 of the Companies, Act 2013.*

## **CONSENTS**

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) Book Running Lead Manager, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing final prospectus to RoC) and will be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Red Herring Prospectus with NSE.

## **EXPERT OPINION**

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Statutory Auditors for period ended on March 31, 2022, March 31, 2021, and 2020 and Legal Advisor report on Outstanding Litigations and Material Developments, included in this Prospectus, our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION**

We have not made any previous public issues since incorporation, and are an —Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an Initial Public Offering in terms of the SEBI ICDR Regulations.

## **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Other than as detailed under chapter titled - Capital Structure beginning on page 54 of the Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

## **PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY**

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Draft Red Herring Prospectus.

## **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF OUR COMPANY**

Our Company has not undertaken any public or rights issue in the five (5) years preceding the date of this Prospectus.

## **PERFORMANCE VIS-À-VIS OBJECTS-PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY**

The Company does not have any subsidiary company.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of the Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## **OPTION TO SUBSCRIBE**

Equity Shares being offered through this Draft Red Herring Prospectus can be applied for in dematerialized form only.



## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this issue is an Initial Public Issue in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Bidders.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Shakeel Ahmed as the Company Secretary and Compliance Officer and may be contacted at the following address:

**Annapurna Swadisht Limited**  
**90, Phears Lane,**  
**Unit No. 604, 6th floor**  
**Kolkata – 700012 West Bengal, India**  
Tel: +91- 33-46032805  
Email: [cs@annapurnasnacks.in](mailto:cs@annapurnasnacks.in)  
[Website: www.annapurnasnacks.in](http://www.annapurnasnacks.in)

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

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

## **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

## **DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY:**

We don't have any listed company under the same management or any listed subsidiaries or any listed promoters.

## **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

The Company has not sought for any exemptions from complying with any provisions of securities laws.

## **PRICE INFORMATION OF LAST 10 (TEN) ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER Statement on Price Information of Last 10 (Ten) Issues handled by Corporate CapitalVentures Private Limited:**



*TRACK RECORD OF PAST ISSUES HANDLED BY CORPORATE CAPITALVENTURES PRIVATE LIMITED For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: [www.ccvindia.com](http://www.ccvindia.com)*

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

As on date of the Draft Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

**Note:**

**Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.**

**This space has been left blank intentionally.**





## SECTION XII- ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable.*

For details in relation to Offer expenses, see “Objects of the Issue” and “Other Regulatory and Statutory Disclosures” on pages 69 and 190, respectively.

#### **Ranking of Equity Shares**

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on July 8, 2022 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on July 9, 2022.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled Dividend Policy’ beginning on pages 139 of this Draft Red Herring Prospectus.

#### **Offer for Sale**

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

#### **Face Value and Issue Price**

The face value of each Equity Share is ₹ 10/-. The Issue Price of Equity Shares is [•] per Equity Share. The Issue Price shall be determined by our Company in consultation with the Lead Manager and is justified under the chapter titled Basis of Issue Price beginning on page 74 of this Draft Red Herring Prospectus.

#### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

#### **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- i. Right to receive dividend, if declared;
- ii. Right to attend general meetings and exercise voting powers, unless prohibited by law;



- iii. Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- iv. Right to receive annual reports and notices to members;
- v. Right to receive offers for rights shares and be allotted bonus shares, if announced;
- vi. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- vii. Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- viii. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, etc., please refer to Section titled, "**Main provisions of the Articles of Association**", beginning on page 241 of this Draft Red Herring Prospectus.

#### **Allotment only in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

- I. Tripartite agreement dated July 8, 2022 among CDSL, our Company and the Registrar to the Issue; and
- II. Tripartite agreement dated June 30, 2022 among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode.

#### **Minimum Application Value, Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of 2000 Equity Shares and the same may be modified by the NSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2000 Equity Shares subject to a minimum allotment of 2000 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

#### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

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

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance



with the applicable laws of such jurisdiction.

### **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

To register himself or herself as the holder of the equity shares; or to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in —Capital Structure on page 54 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer —Main Provisions of Articles of Association on page 241 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.



## Offer Program

| Events   | Indicative Dates |
|--|------------------|
| Bid/Offer Opening Date   | [●]              |
| Bid/Offer Closing Date   | [●]              |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                  | On or about [●]  |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account orUPI ID linked bank account | On or about [●]  |
| Credit of Equity Shares to Demat accounts of Allottees   | On or about [●]  |
| Commencement of trading of the Equity Shares on the Stock Exchange                                     | On or about [●]  |

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

The above timetable is indicative and does not constitute any obligation on our Company, Selling Shareholder or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by 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.

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

Due to the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Offer Closing Date, as is typically experienced in public Offer, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Offer Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

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

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of syndicate members.



## Minimum Subscription

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## Migration to Main Board

Our company may migrate to the main board of NSE Limited at a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above ₹ 2500 Lakh by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principle approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the paid-up Capital of our company is more than ₹ 1000 Lakh but below ₹ 2500 Lakh, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company desiring to migrate to the Main board from the SME Board within two years of listing on Emerge Platform of NSE has to fulfill following conditions:

- i. The increase in post issue face value capital beyond ₹ 2500 Lakh should arise only because of merger/acquisition or for expansion purposes.
- ii. The company should have a minimum turnover of ₹ 10,000 Lakh as per last audited financials and market capitalization of ₹ 10,000 Lakh.
- iii. The company should have a minimum profit before tax of ₹ 1000 Lakh for two years out of three preceding years.
- iv. There should not be any action against the company by any regulatory agency at the time of application for migration.

## Market Making

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE



Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 47 of this Draft Red Herring Prospectus.

### **Arrangements for disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 2000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Offer.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting**

Except for lock-in of the Pre-Issue Equity Shares and Promoter minimum contribution in the Offer as detailed in the section titled “Capital Structure” beginning on page 54 of the Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer sub-heading "Description of Equity Shares and Terms of the Articles of Association" on page 241 of the Draft Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### **Allotment of Securities in Dematerialised Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) All Editions of English National Newspaper, [●]; (ii) All editions of Hindi National Newspaper, [●] and (iii) Delhi edition of Regional Newspaper, [●] each with wide circulation. In the pre-Issue advertisement, we shall state the Bid/Offer Opening Date and the Bid/ Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

*The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are*



*not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Offer is with the competent courts / authorities in Kolkata.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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## ISSUE STRUCTURE

This Offer is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is less than ₹ 10 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of NSE i.e. NSE EMERGE). For further details regarding the salient features and terms of such an offer please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page 201 and 211 of the Draft Red Herring Prospectus.

This Issue comprise of upto 43,22,000 Equity Shares of Face Value of ₹10/- each fully paid (The “Equity Shares”) for cash at a price of [●] per Equity Shares (including a premium of [●] per equity share) aggregating to [●] Lakhs (“the Issue / the Offer”) comprising of Fresh Issue of 43,22,000 Equity Shares aggregating upto [●] Lakhs by our Company. The Offer and the Net Offer will constitute [●] and [●] respectively of the post Issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Book Building Process

| Particulars of the Offer <sup>(2)</sup>           | Market Maker Reservation Portion | QIBs <sup>(1)</sup>  | Non Institutional Applicants       | Retail Individual Investors        |
|---|----------------------------------|--|------------------------------------|------------------------------------|
| Number of Equity Shares available for allocation  | Up to [●] Equity Shares          | Not more than [●] Equity Shares  | Not less than [●] Equity Shares    | Not less than [●] Equity Shares    |
| Percentage of offer Size available for Allocation | [●]% of the offer Size           | Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion  | Not less than 15% of the Net Issue | Not less than 35% of the Net Issue |
| Basis of Allotment <sup>(3)</sup>                 | Firm Allotment                   | Proportionate as follows (excluding the Anchor Investor Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual funds only, subject to valid Bid received from | Proportionate                      | Proportionate                      |



|                                       |  |  |  |  |
|---------------------------------------|--|--|--|--|
|                                       |  | Mutual Funds at or above the Anchor Investor Allocation Price  |  |  |
| Mode of Bid                           | Only through the ASBA process.   |  | Only through the ASBA process  | Through ASBA Process Through Banks or by using UPI ID for payment  |
| Mode of allotment<br>Minimum Bid Size | Compulsorily in dematerialized form<br>[●] Equity Shares in multiple of [●] Equity shares  | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds   | Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds Rs 2,00,000  | [●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed Rs 2,00, 000           |
| Maximum BidSize                       | [●] Equity Shares  | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer , subject to applicable limits. | Such number of Equity Shares in multiples of [●]Equity Shares not Exceeding the size of the offer (excluding the QIB portion), subject to limits as applicable to the Bidder | Such number of Equity Shares in multiples of [●]Equity Shares so that the Bid Amount does not exceed Rs 2,00,000 |
| Trading Lot                           | [●] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations   | [●] Equity Shares and in multiples thereof   | [●] Equity Shares and in multiples thereof   | [●] Equity Shares and in multiples thereof   |
| Terms of Payment                      | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup> |  |  |  |
| Mode of Bid                           | Only through the ASBA process (except for Anchor Investors)  |  |  |  |

This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “Issue Structure” on page 208 of the Draft Red Herring Prospectus.

- (1) Our Company and Selling Shareholder may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Offer for at least 25% of the post offer paid-up Equity share capital of the Company. This Offer is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company and Selling Shareholder in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.



## Withdrawal of the Offer

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

### ***Bid/Offer Programme:***

| <b>Events</b>   | <b>Indicative Dates</b> |
|---|-------------------------|
| Bid/Offer Opening Date  | [•]                     |
| Bid/Offer Closing Date  | [•]                     |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                   | [•]                     |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account | [•]                     |
| Credit of Equity Shares to Demat accounts of Allottees  | [•]                     |
| Commencement of trading of the Equity Shares on the Stock Exchange                                      | [•]                     |

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

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Offer Period at the Bidding Centres mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Offer closing date:

A standard cut-off time of 3.00 p.m. for acceptance of bids.

A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.

A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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## ISSUE PROCEDURE

All Bidders should 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 and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.

All Designated Intermediaries in relation to the Offer should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) pricediscovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Bid Cum Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company, the Selling Shareholder and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company, the Selling Shareholder and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Draft Red Herring Prospectus.

This section applies to all the Bidders, please note that all the Bidders are required to make payment of the Full Application Amount along with the Bid Cum Application Form.

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Offer is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Offer



shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company and Selling Shareholder in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

***Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.***

#### ***Phased implementation of Unified Payments Interface***

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the "UPI Circulars") in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.



For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

### **Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

| Category   | Colour* |
|--|---------|
| Anchor Investor**  | White   |
| Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)                               | White   |
| Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA) | Blue    |

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPIID, in the electronic bidding system of stock exchange(s).



Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Offer, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries’)

| Sr. No. Designated Intermediaries   |
|---|
| 1. An SCSB, with whom the bank account to be blocked, is maintained   |
| 2. A syndicate member (or sub-syndicate member)   |
| 3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’) |
| 4. A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)   |
| 5. A registrar to an Offer and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)                  |

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

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, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.  |
| <b>For applications submitted by Investors to intermediaries other than SCSBs:</b>                             | After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to 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> | After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

### **Availability of Draft Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.



### Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

*As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.*

### MAXIMUM AND MINIMUM APPLICATION SIZE

#### 1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

#### 2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

*Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.*

**The above information is given for the benefit of the Bidders. The Company, Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

### METHOD OF BIDDING PROCESS

Our Company, Selling Shareholder in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Delhi Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid / Offer Period may be extended, if required, by an additional three Working Days, subject to the total Bid / Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Delhi Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid / Offer Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and





it shall have the right to vet the Bids during the Bid/ Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one working day prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 211 of this Draft Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company and Selling Shareholder in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.



- b. Our Company and Selling Shareholder in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non- Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

#### **Option to Subscribe in the Offer**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by



Applicants whose beneficiary account is inactive shall be rejected.

7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company and Selling Shareholder in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
- 5) Our Company and Selling Shareholder in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and



- where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.
  - 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
  - 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
  - 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
  - 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
  - 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
  - 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
  - 13) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Offer, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or



sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post- Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application



is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY SYSTEMATICALLY IMPORTANT NON BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS:**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof.

Limited liability partnerships can participate in the Offer only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

## **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

## **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

## **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

## **BIDS BY SCSB'S:**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

## **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

## **Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

## **Terms of payment**

The entire Offer price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

## **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.





### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: — “Annapurna Swadisht Limited IPO – Anchor Account- R”
- b. In case of Non-Resident Anchor Investors: — “Annapurna Swadisht Limited IPO – Anchor Account- NR”
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

| <b>S. No.</b> | <b>Details*</b>   |
|---------------|-------------------|
| 1.            | Symbol            |
| 2.            | Intermediary Code |
| 3.            | Location Code     |
| 4.            | Application No.   |
| 5.            | Category          |



6. PAN
7. DP ID
8. Client ID
9. Quantity
10. Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in anyway be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information



may be available with the BRLM at the end of the Bid/ Offer Period.

b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Offer Period.

**Withdrawal of Bids**

a) RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

**Price Discovery and Allocation**

a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price and the Anchor Investor Offer Price.

b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

d) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.

e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|--------------|----------------|---------------------|--------------|
| 500          | 24             | 500                 | 16.67%       |
| 1,000        | 23             | 1,500               | 50.00%       |
| 1,500        | 22             | 3,000               | 100.00%      |
| 2,000        | 21             | 5,000               | 166.67%      |
| 2,500        | 20             | 7,500               | 250.00%      |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.



## **Signing of Underwriting Agreement and Registering of Red Herring Prospectus/Prospectus with ROC**

- a) Our company and Selling Shareholder has entered into an Underwriting Agreement dated [●]
- b) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

### **Pre- Offer Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Draft Red Herring Prospectus with the ROC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper;

(ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre- Offer advertisement, we shall state the Bid Opening Date and the Bid/ Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

### **ADVERTISEMENT REGARDING OFFER PRICE AND PROSPECTUS:**

Our Company will Offer a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Offer Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

### **GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/ Offer period and withdraw their Bids until Bid/ Offer Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the 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;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form 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 Bids are liable to be rejected. Where the Bid cum 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 Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;



9. Do not Bid for a Bid Amount exceed ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Offer size and / 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 Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Other instructions for the Bidders Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

#### **Investor Grievance**

In case of any pre- Offer or post Offer related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

#### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

#### **Submission of Bids**

- (a) During the Bid/ Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- (b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

#### **GROUND OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm assuch shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified inthe DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents arenot submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/ Offer Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders),the Depository Participant's identity (DP ID) and thebeneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144Aunder the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/ApplicationForm at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBAAccount in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First



Bidder;

- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregated demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of



[●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

**b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP

/ Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
  - i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

- ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crore per such Anchor Investor; and
  - in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) **In the event that the Offer Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors
- d) **In the event the Offer Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.
- e) **Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Offer:**

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

  - a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
  - b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
  - c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
    - Each successful Bidder shall be allotted [●] equity shares; and
    - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
  - d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●]

equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

#### **Designated Date:**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Offer Closing Date. The

Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on



the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com)

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre- Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer



in default may be punishable with fine and/or imprisonment in such a case

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **Impersonation**

*Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*"Any person who—*

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Offer Closure date.
- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Offer by our Company;
- 4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter's contribution in full has already been brought in;
- 6) That no further Offer of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Offer after the Bid/ Offer Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre- Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Offer after the Bid/ Offer Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.



### **Utilization of Offer Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.
- 5) Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated June 30, 2022 between NSDL, the Company and the Registrar to the Offer;
- b) Tripartite Agreement dated July 8, 2022 between CDSL, the Company and the Registrar to the Offer;

The Company's equity shares bear an ISIN No. INE0MGM01017



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("DPIIT").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DPIIT, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction – Foreign Investment in India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020 and amendments from time to time thereupon, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity



capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24% may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

**Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

**Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.





## SECTION XIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

### ARTICLES OF ASSOCIATION

#### OF

#### ANNAPURNA SWADISHT LIMITED

#### (THE “COMPANY”)

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

| Article No.    | Articles   | Particulars  |
|----------------|--|--|
| 1.             | Table F Applicable.  | 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> |  |  |
| 2.             | Authorized Capital.  | 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.  |
| 3.             | Increase of capital by the Company how carried into effect   | 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. |
| 4.             | New Capital same as existing capital                         | 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.   |
| 5.             | Non-Voting Shares  | 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.  |
| 6.             | Redeemable Preference Shares                                 | 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.   |
| 7.             | Voting rights of preference shares                           | The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.  |
| 8.             | Provisions to apply on issue of Redeemable Preference Shares | On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect:<br>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;   |

| Article No. | Articles                                     | Particulars  |
|-------------|--|--|
|             |  | <p>No such Shares shall be redeemed unless they are fully paid;<br/>           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 the Company's security premium account, before the Shares are redeemed;<br/>           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<br/>           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> |
| 9.          | Reduction of capital                         | <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<br/>           the share capital;<br/>           any capital redemption reserve account; or<br/>           any security premium account<br/>           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>  |
| 10.         | Debentures                                   | <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>   |
| 11.         | Issue of Sweat Equity Shares                 | <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>  |
| 12.         | ESOP   | <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>   |
| 13.         | Buy Back of shares                           | <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>  |
| 14.         | Consolidation, Sub-Division And Cancellation | <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>   |
| 15.         | Issue of Depository Receipts                 | <p>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.</p>  |
| 16.         | Issue of Securities                          | <p>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.</p>  |

| Article No.                         | Articles  | Particulars  |
|-------------------------------------|---|--|
| <b>MODIFICATION OF CLASS RIGHTS</b> |   |  |
| 17.                                 | Modification of rights  | <p>(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.</p> <p>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.</p> |
| 18.                                 | New Issue of Shares not to affect rights attached to existing shares of that class. | (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 <i>pari passu</i> therewith.   |
| 19.                                 | Shares at the disposal of the Directors.  | 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.  |
| 20.                                 | Power to issue shares on preferential basis.  | 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.  |
| 21.                                 | Shares should be Numbered progressively and no share to be subdivided.              | 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.  |
| 22.                                 | Acceptance of Shares.   | 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.   |
| 23.                                 | Directors may allot shares as full paid-up  | 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 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.                                 | Deposit and call etc.to be a debt payable immediately.                              | 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.   |

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| 25.   | Liability of Members.   | 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.   | Registration of Shares.   | 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.   | Share Certificates.   | <p>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>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 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>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.   | Issue of new certificates in place of those defaced, lost or destroyed. | 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  |

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|                                   |   | or worn out or where there is no further space on the back thereof for endorsement of transfer.<br>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.<br>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.  |
| 30.                               | The first named joint holder deemed Sole holder.  | (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.   |
| 31.                               | Maximum number of joint holders.  | (b) The Company shall not be bound to register more than three persons as the joint holders of any share.   |
| 32.                               | Company not bound to recognise any interest in share other than that of registered holders. | 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.  |
| 33.                               | Installment on shares to be duly paid.  | 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.   |
| <b>UNDERWRITING AND BROKERAGE</b> |   |   |
| 34.                               | Commission  | 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 satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other. |
| 35.                               | Brokerage   | The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.   |
| <b>CALLS</b>                      |   |   |
| 36.                               | Directors may make calls  | (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.<br>(2) A call may be revoked or postponed at the discretion of the Board.<br>(3) A call may be made payable by installments.  |
| 37.                               | Notice of Calls   | 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.  |
| 38.                               | Calls to date from resolution.  | 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.   |
| 39.                               | Calls on uniform basis.   | 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   |

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|             |   | paid up shall not be deemed to fall under the same class.  |
| 40.         | Directors may extend time.                                      | 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.  |
| 41.         | Calls to carry interest.  | 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.  |
| 42.         | Sums deemed to be calls.  | 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.  |
| 43.         | Proof on trial of suit for money due on shares.                 | On the trial or Herring 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, if 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.   |
| 44.         | Judgment, decree, partial payment motto proceed for forfeiture. | 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.  |
| 45.         | Payments in Anticipation of calls may carry interest            | (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.<br>(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. |
| <b>LIEN</b> |   |  |
| 46.         | Company to have Lien on shares.                                 | 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   |

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|   |   | 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.   |
| 47.                                       | As to enforcing lien by sale.                             | 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.  |
| 48.                                       | Application of proceeds of sale.                          | 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> |   |   |
| 49.                                       | If call or installment not paid, notice may be given.     | 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. |
| 50.                                       | Terms of notice.  | 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.<br>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.  |
| 51.                                       | On default of payment, shares to be forfeited.            | 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.   |
| 52.                                       | Notice of forfeiture to a Member                          | 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.  |
| 53.                                       | Forfeited shares to be property of the Company and may be | 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  |

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|  | sold etc.   | discretion shall think fit.   |
| 54.  | Members still liable to pay money owing at time of forfeiture and interest. | 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.   |
| 55.  | Effect of forfeiture.   | 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.  |
| 56.  | Evidence of Forfeiture.   | 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.   |
| 57.  | Title of purchaser and allottee of Forfeited shares.                        | 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 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.  |
| 58.  | Cancellation of share certificate in respect of forfeited shares.           | 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.  |
| 59.  | Forfeiture may be remitted.   | 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.   |
| 60.  | Validity of sale  | 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. |
| 61.  | Surrender of shares.  | 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> |   |   |
| 62.  | Execution of the instrument of shares.                                      | (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.<br>(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.  |
| 63.  | Transfer Form.  | 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.<br>The instrument of transfer shall be in a common form approved by the Exchange;  |
| 64.  | Transfer not to be  | The Company shall not register a transfer in the Company other than the transfer  |



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|             | registered except on production of instrument of 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. |
| 65.         | Directors may refuse to register transfer.                                    | 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— 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;   |
| 66.         | Notice of refusal to be given to transferor and transferee.                   | 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.  |
| 67.         | No fee on transfer.   | 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.   |
| 68.         | Closure of Register of Members or debenture holder or other security holders. | The Board of Directors shall have power on giving not less than seven days previous 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.  |
| 69.         | Custody of transfer Deeds.  | 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.  |
| 70.         | Application for transfer of partly paid shares.                               | 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.  |
| 71.         | Notice to transferee.   | 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.   |
| 72.         | Recognition of legal representative.  | (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. 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   |

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|             |  | 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<br>(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.  |
| 73.         | Titles of Shares of deceased Member  | 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 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. |
| 74.         | Notice of application when to be given   | 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.   |
| 75.         | Registration of persons entitled to share otherwise than by transfer. (transmission clause). | 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'.  |
| 76.         | Refusal to register nominee.   | 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.  |
| 77.         | Board may require evidence of transmission.  | 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.  |
| 78.         | Company not liable for disregard of a notice prohibiting registration of transfer.           | 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.  |

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| 79.                                | Form of transfer Outside India.                                      | 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.  |
| 80.                                | No transfer to insolvent etc.  | No transfer shall be made to any minor, insolvent or person of unsound mind.   |
| <b>NOMINATION</b>                  |  |  |
| 81.                                | Nomination   | <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>  |
| 82.                                | Transmission of Securities by nominee                                | <p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-<br/>to be registered himself as holder of the security, as the case may be; or<br/>to make such transfer of the security, as the case may be, as the deceased security holder, could have made;<br/>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;<br/>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> |  |  |
| 83.                                | Dematerialisation of Securities                                      | 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>                |  |  |
| 84.                                | Joint Holders  | 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.  |
| 85.                                | Joint and several liabilities for all payments in respect of shares. | (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.  |
| 86.                                | Title of survivors.  | (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 deceased joint holder from any liability of  |

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|  |   | shares held by them jointly with any other person;  |
| 87.                                    | Receipts of one sufficient.   | (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   |
| 88.                                    | Delivery of certificate and giving of notices to first named holders. | (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>                  |   |   |
| 89.                                    | Power to issue share warrants   | 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.   |
| 90.                                    | Deposit of share warrants   | (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.<br>(b) Not more than one person shall be recognized as depositor of the Share warrant.<br>The Company shall, on two day's written notice, return the deposited share warrant to the depositor. |
| 91.                                    | Privileges and disabilities of the holders of share warrant           | (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.<br>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.   |
| 92.                                    | Issue of new share warrant coupons                                    | 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> |   |   |
| 93.                                    | Conversion of shares into stock or reconversion.                      | The Company may, by ordinary resolution in General Meeting.<br>a) convert any fully paid-up shares into stock; and<br>b) re-convert any stock into fully paid-up shares of any denomination.  |
| 94.                                    | Transfer of stock.  | 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.  |
| 95.                                    | Rights of stock holders.  | 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.   |
| 96.                                    | Regulations.  | 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.  |

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| <b>BORROWING POWERS</b>    |   |  |
| 97.                        | Power to borrow.  | 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. |
| 98.                        | Issue of discount etc. or with special privileges.                            | 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.  |
| 99.                        | Securing payment or repayment of Moneys borrowed.                             | 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.  |
| 100.                       | Bonds, Debentures etc. to be under the control of the Directors.              | 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.   |
| 101.                       | Mortgage of uncalled Capital.   | 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.  |
| 102.                       | Indemnity may be given.   | 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> |   |  |
| 103.                       | Distinction between AGM & EGM.  | All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.  |
| 104.                       | Extra-Ordinary General Meeting by Board and by requisition                    | (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   |
| 105.                       | When a Director or any two Members may call an Extra Ordinary General Meeting | (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  |

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|                         |  | 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.  |
| 106.                    | Meeting not to transact business not mentioned in notice.                          | 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.  |
| 107.                    | Chairman of General Meeting  | 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.   |
| 108.                    | Business confined to election of Chairman or Vice Chairman whilst chair is vacant. | No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.  |
| 109.                    | Chairman with consent may adjourn meeting.   | 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.<br>No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.<br>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.<br>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.  |
| 110.                    | Chairman's casting vote.   | 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.  |
| 111.                    | In what case poll taken without adjournment.                                       | 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.  |
| 112.                    | Demand for poll not to prevent transaction of other business.                      | 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> |  |   |
| 113.                    | Members in arrears not to vote.  | 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.  |
| 114.                    | Number of votes each member entitled.  | 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 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. |
| 115.                    | Casting of votes by a member entitled to more than one vote.                       | 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.  |

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| 116.        | Vote of member of unsound mind and of minor                        | 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.   |
| 117.        | Postal Ballot  | 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.   |
| 118.        | E-Voting   | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.   |
| 119.        | Votes of joint members.  | 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.<br>For this purpose, seniority shall be determined by the order in which the names stand in the register of members.  |
| 120.        | Votes may be given by proxy or by representative                   | 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  |
| 121.        | Representation of a body corporate.                                | 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. |
| 122.        | Members paying money in advance.                                   | (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.   |
| 123.        | Members not prohibited if share not held for any specified period. | (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.   |
| 124.        | Votes in respect of shares of deceased or insolvent members.       | 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.   |
| 125.        | No votes by proxy on show of hands.                                | 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.  |

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| 126.             | Appointment of a Proxy.   | 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.  |
| 127.             | Form of proxy.  | An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.   |
| 128.             | Validity of votes given by proxy notwithstanding death of a member. | 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.  |
| 129.             | Time for objections to votes.                                       | 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.   |
| 130.             | Chairperson of the Meeting to be the judge of validity of any vote. | 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> |   |  |
| 131.             | Number of Directors   | 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   |
| 132.             | Qualification shares.   | A Director of the Company shall not be bound to hold any Qualification Shares in the Company.  |
| 133.             | Nominee Directors.  | (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<br>(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 including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.<br>(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.<br>(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. |
| 134.             | Appointment of alternate Director.                                  | 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.  |
| 135.             | Additional Director   | 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  |



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|   |   | Meeting.  |
| 136.  | Directors power to fill casual vacancies.                             | 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.  |
| 137.  | Sitting Fees.   | 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.   |
| 138.  | Travelling expenses Incurred by Director on Company's business.       | 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> |   |   |
| 139.  | Meetings of Directors.  | (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.<br>(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.  |
| 140.  | Chairman and Vice Chairman  | 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.<br>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. |
| 141.  | Questions at Board meeting how decided.                               | 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.   |
| 142.  | Continuing directors may act notwithstanding any vacancy in the Board | 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.  |
| 143.  | Directors may appoint committee.                                      | 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.                       |
| 144.  | Committee Meetings how to be governed.                                | 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.   |
| 145.  | Chairperson of Committee Meetings                                     | A committee may elect a Chairperson of its meetings.<br>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.  |
| 146.  | Meetings of the Committee   | A committee may meet and adjourn as it thinks fit.<br>Questions arising at any meeting of a committee shall be determined by a majority of  |

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|   |  | votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.  |
| 147.  | Acts of Board or Committee shall be valid notwithstanding defect in appointment. | 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> |  |  |
| 148.  | Power to fill casual vacancy   | 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>                  |  |  |
| 149.  | Powers of the Board  | 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.  |
| 150.  | Certain powers of the Board  | 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  |
| 151.  | To acquire any property , rights etc.  | 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.  |
| 152.  | To take on Lease.  | 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.   |
| 153.  | To erect & construct.  | 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.   |
| 154.  | To pay for property.   | 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.                         |
| 155.  | To insure properties of the Company.   | 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.  |

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| 156.        | To open Bank accounts.                        | 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.  |
| 157.        | To secure contracts by way of mortgage.       | 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.  |
| 158.        | To accept surrender of shares.                | 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.  |
| 159.        | To appoint trustees for the Company.          | 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.  |
| 160.        | To conduct legal proceedings.                 | 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 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.   |
| 161.        | Bankruptcy & Insolvency                       | To act on behalf of the Company in all matters relating to bankruptcy insolvency.   |
| 162.        | To issue receipts & give discharge.           | To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.  |
| 163.        | To invest and deal with money of the Company. | 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.   |
| 164.        | To give Security by way of indemnity.         | 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;   |
| 165.        | To determine signing powers.                  | 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.   |
| 166.        | Commission or share in profits.               | 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.   |
| 167.        | Bonus etc. to employees.                      | 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.  |
| 168.        | Transfer to Reserve Funds.                    | 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 |

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|             |   | 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 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.   |
| 169.        | To appoint and remove officers and other employees. | 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.   |
| 170.        | To appoint Attorneys.                               | 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. |
| 171.        | To enter into contracts.                            | 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.  |
| 172.        | To make rules.                                      | From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.  |
| 173.        | To effect contracts etc.                            | 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.  |
| 174.        | To apply & obtain concessions licenses etc.         | 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.  |
| 175.        | To pay commissions or interest.                     | 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.  |
| 176.        | To redeem preference shares.                        | To redeem preference shares.   |
| 177.        | To assist charitable or                             | To subscribe, incur expenditure or otherwise to assist or to guarantee money to  |

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|  | benevolent institutions.                          | charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.  |
| 178.                                     |   | To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.<br>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.   |
| 179.                                     |   | 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.   |
| 180.                                     |   | 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.<br>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.<br>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.<br>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.<br>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.<br>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.<br>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.<br>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. |
| <b>MANAGING AND WHOLE-TIME DIRECTORS</b> |   |   |
| 181.                                     | Powers to appoint Managing/ Whole-time Directors. | 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   |

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|   |   | dismiss him or them from office and appoint another or others in his or their place or places.<br>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.   |
| 182.  | Remuneration of Managing or Whole-time Director.  | 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.  |
| 183.  | Powers and duties of Managing Director or Whole-time Director.                                | (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.<br>(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.<br>(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.<br>(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.<br>(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. |
| <b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b> |   |   |
| 184.  | Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer | Subject to the provisions of the Act,—<br>A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;<br>A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.<br>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.  |
| <b>THE SEAL</b>   |   |   |
| 185.  | The seal, its custody and use.  | (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   |

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|                              |  | 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.<br>(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.  |
| 186.                         | Deeds how executed.  | 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> |  |   |
| 187.                         | Division of profits.   | (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.<br>(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.<br>(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. |
| 188.                         | The company in General Meeting may declare Dividends.                | 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.   |
| 189.                         | Transfer to reserves   | 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, thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.  |
| 190.                         | Interim Dividend.  | 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.  |
| 191.                         | Debts may be deducted.   | 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.  |
| 192.                         | Capital paid up in advance not to earn dividend.                     | 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.  |
| 193.                         | Dividends in proportion to amount paid-up.                           | 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.  |
| 194.                         | Retention of dividends until completion of transfer under Articles . | 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.   |
| 195.                         | No Member to receive dividend whilst indebted to the                 | 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  |

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|                       | company and the Company's right of reimbursement thereof. | 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.   |
| 196.                  | Effect of transfer of shares.                             | A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.  |
| 197.                  | Dividend to joint holders.                                | 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.   |
| 198.                  | Dividends how remitted.                                   | 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.   |
| 199.                  | Notice of dividend.                                       | 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.  |
| 200.                  | No interest on Dividends.                                 | 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> |   |   |
| 201.                  | Capitalization.   | <p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(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</p> <p>(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.</p> <p>(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:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(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</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(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.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p> |
| 202.                  | Fractional Certificates.                                  | <p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(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</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(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</p> <p>(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</p>   |



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|   |   | <p>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.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(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.</p>   |
| 203.                                    | Inspection of Minutes Books of General Meetings.      | 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. 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.   |
| 204.                                    | Inspection of Accounts                                | <p>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.</p> <p>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.</p>  |
| <b>FOREIGN REGISTER</b>                 |   |  |
| 205.                                    | Foreign Register.                                     | 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 such regulations as it may think fit in regard to the keeping of any such Registers.   |
| <b>DOCUMENTS AND SERVICE OF NOTICES</b> |   |  |
| 206.                                    | Signing of documents & notices to be served or given. | 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.  |
| 207.                                    | Authentication of documents and proceedings.          | 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>                       |   |  |
| 208.                                    |   | <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>                        |   |  |
| 209.                                    | Directors' and others right to indemnity.             | 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   |

| Article No.     | Articles                            | Particulars  |
|-----------------|-------------------------------------|--|
|                 |                                     | (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.   |
| 210.            | Not responsible for acts of others  | 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> |                                     |  |
| 211.            | 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.   |
| 212.            | 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.   |

*This space is left blank intentionally.*



## SECTION XIV – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus to be delivered to the RoC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered office: 90, Phears Lane, Unit No. 604, 6th floor, Kolkata- 700012, West Bengal, India, from the date of filing this Draft Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.*

#### MATERIAL CONTRACTS

1. Issue Agreement dated [●] between our company and the Lead Manager.
2. Agreement dated [●] between our company and the Registrar to the Issue.
3. Public Issue Agreement dated [●] among our Company, the Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated [●] between our company and the Underwriters.
5. Market making Agreement dated [●] between our company, the Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated June 30, 2022.
7. Agreement among CDSL, our company and the registrar to the issue dated July 8, 2022.

#### MATERIAL DOCUMENTS FOR THE ISSUE

1. Partnership deed dated November 27, 2015 and amendment partnership deed dated May 15, 2016, dated April 1, 2018, dated April 1, 2019 and dated February 11, 2020.
2. Certified true copy of Certificate of Incorporation.
3. Certified true copy of Fresh Certificate of Incorporation dated July 8, 2022, consequent upon conversion of the Company from Private Company to Public Company.
4. Memorandum of Association and Articles of Association of our Company, as amended.
5. Resolutions of the Board of Directors dated July 8, 2022 in relation to the Issue and other related matters.
6. Shareholders' resolution dated July 9, 2022 in relation to the Issue and other related matters.
7. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Peer review Auditor and Legal Advisor to act in their respective capacities.
8. Consent letter dated July 15, 2022, from M/s. BD Associates, for inclusion of its name as Legal Advisor to the Issue in the Prospectus.
9. Consent letter dated July 15, 2022, from M/s. A M R K & Co., for inclusion of its name as Statutory Auditors of the Company in the Prospectus.
10. Peer Review Auditors Report dated July 15, 2022 on Restated Financial Statements of our Company for the period ended February 11, 2022 and for the years ended March 31, 2022, 2021 and 2020.
11. The Report dated July 15, 2022 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
12. The Report dated July 20, 2022 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
13. Copy of approval from NSE Emerge vide letter dated [●] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
14. Due diligence certificate dated [●] from Book Running Lead Manager to the Issue.

*Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.*

## DECLARATION

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

| <b>Signed by the Directors of our Company</b>                                     |                                       |               |                         |           |
|---|---------------------------------------|---------------|-------------------------|-----------|
| S.N.  | Name                                  | Category      | Designation             | Signature |
| 1.  | Shreeram Bagla<br>Din: 01895499       | Executive     | Managing Director       | sd/-      |
| 2.  | Sumit Sengupta<br>Din: 09184493       | Executive     | Director                | sd/-      |
| 3.  | Rajesh Shaw<br>Din: 09647878          | Executive     | Director                | sd/-      |
| 4.  | Chandan Ghosh<br>Din: 09638482        | Non-Executive | Independent Director    | sd/-      |
| 5.  | Sandip Maiti<br>Din: 00241444         | Non-Executive | Independent Director    | sd/-      |
| 6.  | Hitu Gambhir Mahajan<br>Din: 07043618 | Non-Executive | Independent Director    | sd/-      |
| <b>Signed by the Chief Financial Officer and Company Secretary of our Company</b> |                                       |               |                         |           |
| 7.  | Ravi Sarda                            | Whole-Time    | Chief Financial Officer | sd/-      |
| 8.  | Shakeel Ahmad                         | Whole-Time    | Company Secretary       | sd/-      |

**Place:** Kolkata

**Date:** July 20, 2022