



(Please scan this QR Code to view the Draft Prospectus)

**Draft Prospectus**

**Dated: July 23, 2024**

Please read Section 26 of the Companies Act, 2013

**100% Fixed Price Issue**

(This Draft Prospectus will be updated upon filing with the RoC)



**SWASTH FOODTECH INDIA LIMITED**

**CIN: U15490WB2021PLC242881**

REGISTERED OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Baro Chowmata Belari, Guskara, Purba Burdwan, Bardhaman – 713 141, West Bengal, India	Seema Agarwal, Company Secretary and Compliance Officer	<b>Tel:</b> +91 890 073 8769 <b>Email:</b> cs@swasthfoodtech.com	www.swasthfoodtech.com

**PROMOTERS OF OUR COMPANY: DILIP CHHAJER, SHREY JAIN, LAKSHAY JAIN, VANDANA CHHAJER, CHHAJER AGRO PRODUCTS PRIVATE LIMITED AND DILIP CHAND CHHAJER (HUF)**

**DETAILS OF THE ISSUE**

TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Up to 17,00,000 Equity Shares of ₹ [●]/- aggregating up to ₹ [●] Lakhs	Nil	Up to 17,00,000 Equity Shares of ₹ [●]/- aggregating up to ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229 (1) of SEBI (ICDR) Regulations as the Company's post issue paid-up capital shall not be more than ten crore rupees. For details in relation to share reservation among NIIs and RIIs, see "Issue Structure" on page 252 of this Draft Prospectus.

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

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis for Issue Price" beginning on page no. 90 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

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


**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft 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 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 this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE SME" or "BSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an 'in-principle' approval letter dated [●] from BSE for using its name in this offer document for listing our shares on the BSE. For the purpose of this Issue, the Designated Stock Exchange will be BSE.

**LEAD MANAGER: HORIZON MANAGEMENT PRIVATE LIMITED**

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

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

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

**ISSUE PROGRAMME**

**ISSUE OPENS ON: [●]**



**ISSUE CLOSES ON: [●]**



### SWASTH FOODTECH INDIA LIMITED

Swasth Foodtech India Limited (the “Company”) was originally incorporated under the name ‘Swasth Foodtech India Private Limited’, pursuant to a certificate of incorporation dated February 2, 2021 issued by the Deputy Registrar of Companies, Registrar of Companies, Central Registration Centre. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in their meeting held on January 27, 2024 and by the Shareholders in an Extraordinary General Meeting held on February 21, 2024 and a fresh certificate of incorporation dated May 20, 2024 was issued by the Registrar of Companies, Central Registration Centre. Consequent to the conversion of our Company, the name of our Company was changed to ‘Swasth Foodtech India Limited’.

**Registered Office:** Baro Chowmata Belari, Guskara, Purba Burdwan, Bardhaman – 713 141, West Bengal, India, **Telephone:** +91 890 073 8769; **E-mail:** info@swasthfoodtech.com; **Website:** www.swasthfoodtech.com; **Contact Person:** Seema Agarwal, Company Secretary and Compliance Officer; **CIN:** U15490WB2021PLC242881

<b>PROMOTERS OF OUR COMPANY: DILIP CHHAJER, SHREY JAIN, LAKSHAY JAIN, VANDANA CHHAJER, CHHAJER AGRO PRODUCTS PRIVATE LIMITED AND DILIP CHAND CHHAJER (HUF)</b>	
<b>THE ISSUE</b>	
PUBLIC ISSUE OF UP TO 17,00,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH (“EQUITY SHARES”) OF THE COMPANY FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●]- PER EQUITY SHARE) (THE “ISSUE PRICE”), AGGREGATING UPTO ₹ [●] LACS (“ISSUE”) OF THE ISSUE, [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT AN ISSUE PRICE OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” ON PAGE 246 OF THE DRAFT PROSPECTUS.	
<b>THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10/- AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE</b>	
In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post- Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled – “Issue Information” beginning on page 246 of this Draft Prospectus.	
In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 255 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 and 28 of the Companies Act, 2013.	
<b>RISK IN RELATION TO THE FIRST ISSUE</b>	
This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under “Basis for Issue Price” beginning on page no. 90 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.	
<b>GENERAL RISKS</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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” on page 21 of this Draft Prospectus.	
<b>COMPANY’S ABSOLUTE RESPONSIBILITY</b>	
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft 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 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 this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an ‘in-principle’ approval letter dated [●] from BSE for using its name in this offer document for listing our shares on BSE. For the purpose of this Issue, the Designated Stock Exchange will be BSE.	
<b>LEAD MANAGER TO THE ISSUE</b>	<b>REGISTRAR TO THE ISSUE</b>
 <p><b>Horizon Management Private Limited</b>  19 R N Mukherjee Road, Main Building, 2<sup>nd</sup> Floor,  Kolkata- 700 001, West Bengal, India.  <b>Telephone:</b> +91 33 4600 0607  <b>Facsimile:</b> +91 33 4600 0607  <b>E-mail:</b> smeipo@horizon.net.co  <b>Website:</b> www.horizonmanagement.in  <b>Investor grievance:</b> investor.relations@horizon.net.co  <b>SEBI Registration Number:</b> INM000012926  <b>Contact Person:</b> Manav Goenka</p>	 <p><b>MAS Services Limited</b>  T-34, 2nd Floor, Okhla Industrial Area,  Phase-II New Delhi- 110 020  <b>Telephone:</b> +91 112 638 7281/83, 114 132 0335  <b>Facsimile:</b> +91 112 638 7384  <b>E-mail:</b> ipo@masserv.com  <b>Website:</b> www.masserv.com  <b>Investor grievance:</b> investor@masserv.com  <b>SEBI Registration No.:</b> INR000000049  <b>Contact Person:</b> N. C. Pal</p>
<b>ISSUE OPENS ON</b>	<b>ISSUE CLOSES ON</b>
ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

#### General Terms

Term	Description
“Company”, “our Company”, “Swasth”, “the Company”, “the Issuer”	Swasth Foodtech India Limited, a company incorporated under the Companies Act, 2013, having its Registered Office at Baro Chowmata Belari, Guskara, Purba Burdwan, Bardhaman – 713 141, West Bengal, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.
Our Promoters	Promoters of our Company, namely Dilip Chhajer, Shrey Jain, Lakshay Jain, Vandana Chhajer, Chhajer Agro Products Private Limited and Dilip Chand Chhajer (HUF). For further details, please see the section entitled “ <i>Our Promoters and Promoter Group</i> ” on page 155 of this Draft Prospectus.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see “ <i>Our Promoters and Promoter Group</i> ” on page 155 of this Draft Prospectus.

#### Company Related Terms

Term	Description
Articles / Articles of Association / AoA	The Articles / Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. For details, see “ <i>Our Management</i> ” on page 141 of this Draft Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, Baid Agarwal Singhi & Co.
Banker to our Company	Banker to our Company, namely Axis Bank Limited.
Board / Board of Directors	Board of directors of our Company or a duly constituted committee thereof.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e., U15490WB2021PLC242881
Chief Financial Officer / CFO	Shrey Jain, the Chief Financial Officer of our Company.
Company Secretary and Compliance Officer	Seema Agarwal, the Company Secretary and the Compliance Officer of our Company.
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Director(s)	The director(s) on the Board of our Company, unless otherwise specified.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
Group Companies	Companies (other than our Subsidiary) with which there have been related party transactions, during the last three financial years, as covered under the applicable

<b>Term</b>	<b>Description</b>
	accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.
Independent Director(s)	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0TIR01017
Key Managerial Personnel / KMP	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the section titled “ <i>Our Management</i> ” on page 141 of this Draft Prospectus.
Managing Director/ MD	The managing director of our Company namely, Dilip Chhajer.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on July 18, 2024 in accordance with the requirements of the SEBI ICDR Regulations.
Memorandum of Association / MoA	Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company’s nomination and remuneration committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. For details, see “ <i>Our Management</i> ” on page 141 of this Draft Prospectus.
Non-executive Directors	Non-executive Directors of our Company.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Registered Office	The registered office of our Company situated at Baro Chowmata Belari, Guskara, Purba Burdwan, Bardhaman – 713 141, West Bengal, India.
Registrar of Companies/ RoC	Registrar of Companies, West Bengal at Kolkata, having its office at Nizam Palace, 2 <sup>nd</sup> MSO Building, 2 <sup>nd</sup> Floor, 234/4, A.J.C.B. Road, Kolkata- 700 020, West Bengal, India.
Restated Financial Information/ Restated Financial Statements	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities of our Company as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the three months period ended June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
“Senior Management”	Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “ <i>Our Management</i> ” on page 141 of this Draft Prospectus.
Shareholders	Shareholders of our Company, from time to time.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations. For details, see “ <i>Our Management</i> ” on page 141 of this Draft Prospectus.
Whole-time Director	The Whole-time Director of our Company, namely, Shrey Jain and Lakshay Jain

### Issue Related Terms

<b>Term</b>	<b>Description</b>
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allot/Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue to the successful applicants.

<b>Term</b>	<b>Description</b>
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicant and which will be considered as an application for Allotment in terms of the Prospectus.
ASBA Bid	A Bid made by ASBA Bidder
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Banker(s) to the Issue	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [●].
Basis of Allotment	Basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in “ <i>Issue Procedure</i> ” on page 255 of this Draft Prospectus.
Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Bidding Centres	The Centres at which the Designated Intermediaries shall accept the 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.
Business Day	Monday to Friday (except public holidays).
Broker Centres	Broker Centres notified by the Stock Exchanges, where Applicants can submit the ASBA 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 Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and are updated from time to time.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s)/ CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the website of BSE ( <a href="http://www.bseindia.com">www.bseindia.com</a> ).
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable).
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository

<b>Term</b>	<b>Description</b>
	Participants eligible to accept Application Forms are available on the website of the Stock Exchange.
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited (“ <b>BSE SME</b> ”)
DP ID	Depository Participant’s identity number
Draft Prospectus/DP	This Draft Prospectus dated July 23, 2024 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitutes an invitation to purchase the equity shares.
Electronic Transfer of Funds	Refunds through ECS (Electronic Clearing Services), NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow Agent	[●]
Escrow Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue and Sponsor Bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●].
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of a joint Application and whose name shall also appear as the first holder of the beneficiary account held in joint names or any revisions thereof.
Foreign Portfolio Investor(s) / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations



<b>Term</b>	<b>Description</b>
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 255 of this Draft Prospectus.
Issue Agreement	The agreement dated July 18, 2024 between our Company and the LM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Lead Manager under the Draft Prospectus and the Prospectus being ₹ [●]/- per share.
Issue Proceeds	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” on page 77 of this Draft Prospectus.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Opening	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Closing	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue/Issue Size	Initial Public Offering of up to 17,00,000 Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lacs.
Lead Manager/ LM	The lead manager to the Issue, being Horizon Management Private Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Market Maker	Market Maker of the Company, in this case being [●]
Market Maker Reservation Portion	The Reserved portion of [●] Equity shares of ₹ 10/- each at an Issue Price of ₹ [●]/- aggregating to ₹ [●] lakhs for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Proceeds	Proceeds of the Issue less our Company’s share of Issue related expenses. For further information about the Issue related expenses, see “ <i>Objects of the Issue</i> ” on page 77 of this Draft Prospectus.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of ₹ 10/- each at ₹ [●]/- per Equity Share including share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] Lakhs.
Non-Institutional Applicant / Investors	All Applicants, including Eligible FPIs, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs, OFIs other than eligible QFIs).
Non-Retail Portion including Qualified Institution Buyers (NRII)	The remaining portion of the Net Issue including [●] Equity Shares, after retails portion, being not more than 50% of the Net issue which shall be available for allocation to NRIIs in accordance with the SEBI ICDR Regulations.

<b>Term</b>	<b>Description</b>
Non-Resident/ NR	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FPIs and FVCIs.
Prospectus	The Prospectus, to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Issue Account for collection of Application Amounts from Escrow Account(s) and ASBA Accounts will be opened, in this case being [●].
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Qualified Institutional Buyers / QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Registrar Agreement	The registrar agreement dated July 18, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents/ RTAs	The registrar and the share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI as per the list available on the website of BSE.
Registrar to the Issue / Registrar	MAS Services Limited
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Retail Portions	Portion of the Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to RIBs (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Refund account	Account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Refund Account will be opened, in this case being [●]
SEBI Master Circular	Master circular dated June 21, 2023 issued by the Securities and Exchange Board of India in order to enable the stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place.
Self-Certified Syndicate Banks or SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.

<b>Term</b>	<b>Description</b>
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [●].
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
TRS/Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	[●]
Underwriting Agreements	The agreement dated [●] entered into among the Underwriters and our Company prior to the filing of the Prospectus with the RoC.
Unified Payment Interface or UPI	Unified Payment Interface is an instant payment system developed by National Payments Corporation of India, which enables merging several banking features, seamless fund routing and merchant payments into one hood. It allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a persons' bank account.
UPI	Unified Payment Interface.
UPI Circulars / SEBI UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the SEBI Master Circular and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	Process for applications by RIBs submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter(s) or Fraudulent Borrower(s)	Company or person, as the case may be, categorized as a wilful defaulter(s) or fraudulent borrower(s) by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI and in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, Working Days shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Days shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars.

## Conventional and General Terms and Abbreviations

Term	Description
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	SME Platform of BSE Limited
CAGR	Compounded Annual Growth Rate.
Category I AIF	AIFs which are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.
Category II AIF	AIFs which are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
Category III AIF	AIFs which are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulation.
Category I FPI(s)	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations.
Category II FPI(s)	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III FPIs	FPIs who are registered as Category III FPIs under the SEBI FPI Regulations, and shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970.
Companies Act	Companies Act, 1956 and / or the Companies Act, 2013 as applicable.
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
Companies Act 2013	Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder.
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Depository(ies)	NSDL and CDSL, both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DP or Depository Participant	A depository participant as defined under the Depositories Act
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP ID	Depository Participant’s Identity Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Term Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 duly amended

<b>Term</b>	<b>Description</b>
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
INR or ₹ or Rs. Or Indian Rupees	Indian Rupee, the official currency of the Republic of India.
IPO	Initial public offering
IRDAI	Statutory body constituted under the Insurance Regulatory and Development Authority Act, 1999
IRR	Internal rate of return
IMPS	Immediate Payment Service
IST	Indian Standard Time
Insolvency Code	Insolvency and Bankruptcy Code, 2016
ISIN	International Securities Identification Number
IT	Information Technology
KYC	Know your customer
Lacs	Lakhs
LIBOR	London Inter-Bank Offer Rate
MCA	The Ministry of Corporate Affairs, GoI
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House, a consolidated system of ECS.
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NRO	Non-resident ordinary account
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
NPCI	National Payments Corporation of India
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.

<b>Term</b>	<b>Description</b>
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
PIO	Person of India Origin
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RTGS	Real Time Gross Settlement
Rule 14A	Rule 14A under the Securities Act
₹/Rs./ Rupees/ Indian Rupees	The lawful currency of India
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Ind AS Transition Circular	SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Merchant Bankers Regulation	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Securities Act	The United States Securities Act of 1933.
Stamp Act	The Indian Stamp Act, 1899
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited, SME Platform.
STT	Securities Transaction Tax
SME	Small and Medium Enterprises
State Government	The government of a state in India
Trademarks Act	Trademarks Act, 1999
TAN	Tax deduction account number
TDS	Tax deducted at source
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. Holder	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America

<b>Term</b>	<b>Description</b>
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31

### Industry Related Terms

<b>Term</b>	<b>Description</b>
AAJ	Antodaya Ann Yojna
ACC	Advanced Chemistry Cell
AI	Artificial Intelligence
AIDC	Agricultural Infrastructural Development Cess
AIDef	AI in Defence'
AIFs	Alternative Investment Funds
BCD	Basic Customs Duty
BOT	Build-Operate-Transfer
BSNL	Bharat Sanchar Nigam Limited
CAD	Current Account Deficit
CAZRI	Central Arid Zone Research Institute
CEPA	Comprehensive Partnership Agreement
CGSS	Credit Guarantee Scheme for Start-ups
CGST	Central Goods and Services Tax
COVID-19	CoronaVirus Disease of 2019
CPI	Consumer Price Index
DFFPD	Department of Food and Public Distribution
DII	Domestic Institutional Investors
DNTs	Denotified/Nomadic/SemiNomadic tribal communities
DoS	Department of Space
DPA	Deendayal Port Authority
DPIIT	Department for Promotion of Industry and Internal Trade
EBP	Ethanol Blended Petrol
ETPs	Effluent Treatment Plant
FAO	Food and Agriculture Organization
FCI	Food Corporation of India
FDI	Foreign Direct Investment
FII	Foreign Institutional Investors
FPIs	Foreign Portfolio Investors
FRE	First Revised Estimates
FTAs	Free Trade Agreements
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Services Tax
HFI	High-Frequency Indicators
ICAR	Indian Council of Agricultural Research
IDRCL	India Debt Resolution Co. Ltd
IIP	Index of Industrial Production
IISR	The Indian Institute of Spices Research
ILO	International Labor Organization
IMF	International Monetary Funds
IndAus ECTA	India-Australia Economic Cooperation and Trade Agreement
LMT	lakh metric tonnes
MEP	Minimum Export Price
MFP	Mega Food Parks
MoU	Memorandum of Understanding
MT	Metric tonnes
MUFA	Monounsaturated Fats
NABARD	National Bank for Agriculture and Rural Development

<b>Term</b>	<b>Description</b>
NaBFID	National Bank for Financing Infrastructure and Development
NARCL	National Asset Reconstruction Company Limited
OMCs	Oil Marketing Companies
PE-VC	Privat Equity and Venture Capital
PHH	Primary Household
PLI	Production Linked Incentive Scheme
PM-DevINE	Prime Minister's Development Initiative for North-East Region
PMGKAY	Pradhan Mantri Garib Kalyan Ann Yojana
PPP	Public-Private Partnership
PMI	Purchasing Managers' Index
PUFA	Polyunsaturated Fats
SDL	State Development Loans
SEA	Solvent Extractors Association of India
SGST	State Goods and Services Tax
SPI	Strengthening of Pharmaceutical Industry
TRQ	Tariff Rate Quota
TTDF	Telecom Technology Development Fund
UAE	United Arab Emirates
UK	United Kingdom
US	United States
USD/ US\$	US Dollar
USOF	Universal Service Obligation Fund
W.E. F.	With Effect From
WHO	World Health Organisation
YoY	Year-Over-Year

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 308, 97, 99, 126, 166, 226 and 255, respectively of this Draft Prospectus, will have the meaning ascribed to such terms in these respective sections.



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

### **Certain Conventions**

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

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

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

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on page 166 of this Draft Prospectus.

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

The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and liabilities as on June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the three months period ended June 30, 2024 and the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, the Financial Statement of Significant Accounting Policies and other explanatory information annexed to this report, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

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

Any percentage amounts, as set forth in the sections / chapters titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on Page Nos. 21, 112 and 209, respectively of this Draft Prospectus and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our Restated Financial Statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 21, 99 and 112 respectively, this Draft Prospectus.

### **Currency and Units of Presentation**

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and

- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

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

### Exchange rates

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

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

Currency	Exchange rate as on (in ₹)			
	June 30, 2024 <sup>^</sup>	March 31, 2024 <sup>*</sup>	March 31, 2023	March 31, 2022
1 USD	83.45	83.37	82.22	75.91

<sup>^</sup>Since, June 30, 2024 was a public holiday, the exchange rate as of June 29, 2024 has been considered.

<sup>\*</sup>Since, March 31, 2024 was a public holiday, the exchange rate as of April 1, 2024 has been considered.

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in))

### Industry and Market Data

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

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

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

In accordance with the SEBI ICDR Regulations, “Basis for Issue Price” on page 90 of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “Risk Factors” on page 21 of this Draft Prospectus.

## FORWARD - LOOKING STATEMENTS

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

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

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

- We depend on a few customers for our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.
- We generate our major portion of sales from our operations in certain geographical regions. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.
- We have a limited operating history in respect of our products, which may make it difficult for investors to evaluate our business and prospects.
- Our business is dependent on the sale of our products to certain oil manufacturers with whom our Company has not entered into any long-term agreements purchasing our Rice Bran Oil. The loss of such customers, a significant reduction in purchases by such customers, or a lack of commercial success of their product of which we are a major supplier could materially adversely affect our business, results of operations and financial condition.
- We derive significant portion of our revenues from the sale of by-products derived during the processing of rice bran oil and any reduction in demand from its consumers could have an adverse effect on our business, results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on pages 21, 112 and 209, respectively, of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the Lead Managers will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

## OFFER DOCUMENT SUMMARY

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoters and Promoter Group*”, “*Financial Statements*”, “*Objects of the Issue*”, “*Our Business*”, “*Issue Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” on pages 21, 99, 226, 155, 166, 77, 112, 255 and 308, respectively.

### 1. Summary of Industry

Edible oils and Fats are essential ingredients for a wholesome and balanced diet and they are vital items of mass consumption. The Department of Food and Public Distribution deals with issues related to the Vegetable Oil Processing Industries, Price Control, Inter State trade & commerce and also supply & distribution of vanaspati, oilseeds, vegetable oil, cakes and fats. The Directorate of Sugar and Vegetable oils is staffed with qualified technical people who assist the Ministry in the coordinated management of Vegetable Oils Policy, particularly relating to production/availability and monitoring of prices.

For further details, please refer to the chapter titled “*Industry Overview*” on page 99 of this Draft Prospectus.

### 2. Summary of Business

We are in the business of processing of rice bran oil from crude oil, for sale to oil manufacturers and packers. We manufacture various rice bran oil under various grades and colours, based on the requirement of our customers. We believe that rice bran oil is healthier than the other options available in the market, on account of it having an ideal balance of polyunsaturated fats and monounsaturated fats, in almost a 1:1 ratio. Since rice bran oil is made from rice bran, it is rich in Vitamin E, an antioxidant and Oryzanol. Rice bran oil is a healthy oil extracted from the germ and inner husk of rice kernels. It has gained popularity in recent years due to its numerous health benefits. The advantages of rice bran oil include support heart-healthy; high smoke point makes it a good choice for stir-frying, sauteing, and other high-heat cooking methods; and Neutral flavor makes it a versatile oil that can be used in a variety of dishes. We have crafted our business model in such a manner that we market and sell, our finished products, being rice bran oil, as well as the residue and the byproducts generated while processing our products. Therefore, we market and sell, fatty acid, gums, spent earth and wax in the open market.

For further details, please refer to chapter titled “*Our Business*” on page 112 of this Draft Prospectus.

### 3. Promoters

Dilip Chhajer, Shrey Jain, Lakshay Jain, Vandana Chhajer, Chhajer Agro Products Private Limited and Dilip Chand Chhajer (HUF) are the Promoters of our Company. For further details please see chapter titled “*Our Promoters and Promoter Group*” beginning on page 155 of this Draft Prospectus.

### 4. Issue

Our Company is proposing the public issue of upto 17,00,000 Equity Shares of face value of ₹ 10/- each of Swasth Foodtech India Limited (the “**Company**” or the “**Issuer**”, and such equity shares the “**Equity Share**”) for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share (the “**Issue Price**”) aggregating to ₹ [●] lakhs (the “**Issue**”), of which [●] Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs will be reserved for subscription by Market Maker to the Issue (the “**Market Maker Reservation Portion**”). The Issue less the Market Maker Reservation Portion i.e. Net Issue of [●] Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs is herein after referred to as the “**Net Issue**”. The Issue and the Net Issue will constitute [●]% and [●]%, respectively, of the post issue paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

### 5. Objects of the Issue

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

(₹ in lakhs)

Sr. No.	Particulars	Estimated amount
1.	Setting up of a packing line at our existing manufacturing unit	Up to 329.87
2.	Funding of working capital requirements of our Company	Upto 750.00
3.	General corporate purposes <sup>(1)(2)</sup>	[•]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

<sup>(2)</sup>The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please see chapter titled “Objects of the Issue” beginning on page 77 of this Draft Prospectus.

## 6. Aggregate shareholding of Promoters and Promoter Group

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

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
<b>Promoters</b>					
1.	Lakshay Jain	12,28,763	28.78	12,28,763	[•]
2.	Vandana Chhajer	10,41,276	24.39	10,41,276	[•]
3.	Shrey Jain	6,27,551	14.70	6,27,551	[•]
4.	Dilip Chhajer	5,93,112	13.89	5,93,112	[•]
5.	Chhajer Agro Products Private Limited	5,79,999	13.58	5,79,999	[•]
6.	Dilip Chand Chhajer (HUF)	1,98,980	4.66	1,98,980	[•]
	<b>Total</b>	<b>42,69,681</b>	<b>100.00</b>	<b>42,69,681</b>	<b>[•]</b>
<b>Promoter Group</b>					
7.	Abhishek Dugar	1	Negligible	1	[•]
	<b>Total</b>	<b>1</b>	<b>Negligible</b>	<b>1</b>	<b>[•]</b>
	<b>Total</b>	<b>42,69,682</b>	<b>100.00</b>	<b>42,69,682</b>	<b>[•]</b>

For further details, please see chapter titled “Capital Structure” on page 65 of this Draft Prospectus.

## 7. Summary of Restated Financial Information

Following are the details as per the Restated Financial Information as at and for the three months period ended June 30, 2024 and as at for the Financial Years ended on March 31, 2024, 2023 and 2022:

(₹ in lacs)

S. No.	Particulars	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1.	Share Capital	426.97	426.97	299.06	299.06
2.	Net Worth	712.28	624.04	302.89	300.20
3.	Revenue from operations	4,035.22	13,324.98	9,989.64	122.10
4.	Profit after Tax	88.24	193.24	2.69	1.14
5.	Earnings per Share	2.07	5.03	0.09	0.04
6.	Net Asset Value per equity share	16.68	14.62	10.13	10.04
7.	Total Borrowings	1,926.99	2,338.86	2,382.18	791.77

For further details, please refer the section titled “Financial Information” on page 166 of this Draft Prospectus.

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

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

## 9. Summary of Outstanding Litigation

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

### a) Litigations involving our Company

#### i) Cases filed against our Company:

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

#### ii) Cases filed by our Company:

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

### b) Litigations involving our Directors

#### i) Cases filed against our Directors:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters*	1	11.88
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

\*Includes litigation filed against the Promoters

#### ii) Cases filed by our Directors:

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

### c) Litigations involving our Promoters

#### i) Cases filed against our Promoters:

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	1	11.88
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

#### ii) Cases filed by our Promoters:

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

## 10. Risk Factors

Please see the chapter titled “*Risk Factors*” beginning on page 21 of this Draft Prospectus.

## 11. Summary of Contingent Liabilities

As on the date of this Draft Prospectus, our Company does not have any contingent liabilities for the three month period ended June 30, 2024 and as at and for the Financial Years ended on March 31, 2024, 2023 and 2022.

## 12. Summary of Related Party Transactions

Following are the details of related party transactions as per the Restated Financial Information as at and for the three months period ended June 30, 2024 and as at and for the Financial Years ended on March 31, 2024, 2023 and 2022:

<b>A) Transactions with Key Managerial Personnel</b>					
<b>Name of the party</b>	<b>Nature of Transactions</b>	<b>30th June, 2024</b>	<b>31st March, 2024</b>	<b>31st March, 2023</b>	<b>31st March, 2022</b>
Lakshay Jain	Directors Remuneration	-	1.50	10.85	7.20
Shrey Jain	Directors Remuneration	-	-	3.85	7.20
Vandana Chhajer	Directors Remuneration	-	9.00	6.00	-
Dilip Chhajer (HUF)	Loan Taken	-	-	40.00	-
Dilip Chhajer (HUF)	Loan Repaid	-	8.69	31.31	-
Dilip Chhajer	Loan Taken	-	4.00	78.42	24.80
Dilip Chhajer	Loan Repaid	-	29.91	77.31	-
Shrey Jain	Loan Taken	-	4.09	35.10	3.22
Shrey Jain	Loan Repaid	-	31.51	10.90	-
Lakshay Jain	Loan Taken	-	-	53.69	-
Lakshay Jain	Loan Repaid	-	53.69	-	-
Vandana Chhajer	Loan Taken	-	32.45	63.22	0.42
Vandana Chhajer	Loan Repaid	-	77.95	18.15	-
Vandana Chhajer	Advance Given	-	10.10	-	-
Lakshay Jain	Advance Given	-	14.85	-	-
Vandana Chhajer	Advance Refunded	-	10.10	-	-
Lakshay Jain	Advance Refunded	-	14.85	-	-

### **B) Transactions with enterprises where Key Management Personnel and their Relatives have significant influence:**

<b>Name of the party</b>	<b>Nature of Transactions</b>	<b>30th June, 2024</b>	<b>31st March, 2024</b>	<b>31st March, 2023</b>	<b>31st March, 2022</b>
Birbhum Oil Industries Private Limited	Purchase of Goods	-	34.06	139.57	-
Birbhum Oil Industries Private Limited	Loan Taken	15.00	-	-	-
Birbhum Oil Industries Private Limited	Loan Repaid	15.00	-	-	-
M/s Chhajer Agro Products Pvt Ltd	Loan Taken	-	363.35	104.00	97.00
M/s Chhajer Agro Products Pvt Ltd	Loan Repaid (including interest)	21.30	325.61	78.06	39.00
M/s Chhajer Agro Products Pvt Ltd	Interest Expense	2.91	9.21	9.37	3.71
M/s Chhajer Agro Products Pvt Ltd	Purchase of Goods	-	143.43	454.46	42.78
M/s Chhajer Agro Products Pvt Ltd	Sales of Goods	-	14.48	-	-

Please see the chapter titled “*Financial Information*” beginning on page 166 of this Draft Prospectus.

### 13. Financials Arrangements

There are no financing arrangements whereby the Promoters, members of the Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Prospectus.

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

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

Name of Promoters	No. of shares acquired in last one year from the date of this Draft Prospectus	Weighted Average Price (in ₹)
Dilip Chhajer	2,05,612	10.00
Shrey Jain	2,17,551	10.00
Vandana Chhajer	3,60,976	10.00
Lakshay Jain	4,25,971	10.00
Chhajer Agro Products Private Limited	NIL	-
Dilip Chand Chhajer (HUF)	68,980	10.00

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

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

Name of Promoters	No. of shares held	Average Cost of Acquisition (in ₹)
Dilip Chhajer	5,93,112	10
Shrey Jain	6,27,551	10
Vandana Chhajer	10,41,276	10
Lakshay Jain	12,28,763	10
Chhajer Agro Products Private Limited	5,79,999	10
Dilip Chand Chhajer (HUF)	1,98,980	10

### 16. Pre-IPO Placement

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

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

We have not issued equity shares for consideration other than cash in the preceding one year:

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

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

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

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



## SECTION II – RISK FACTORS

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

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 99, 112 and 209 of this Draft Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.*

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

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

### **Materiality:**

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

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

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

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

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Swasth Foodtech India Limited.*

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

## INTERNAL RISK FACTORS

### BUSINESS RELATED RISKS

- We depend on a few customers for our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.*

We are in the business of processing of rice bran oil from crude oil, for sale to oil manufacturers and packers. As part of our business model, we manufacture products as per the specification of our customers, which helps us improve of our offerings and achieve overall efficiencies.

The table below sets forth a break-up of the revenue earned by our Company from top ten customers during the preceding three years and the three month period ended June 30, 2024:

Particulars	Three month period ended June 30, 2024	
	Revenue earned in (₹ in lakhs)	% of total revenue
Vijay Solvex Limited	932.19	23.10%
Gokul Agri International Limited	548.26	13.59%
Shree Narsingh Udyog	218.93	5.43%
Hind Veg Oils Private. Limited.	197.86	4.90%
Aone Agro Products Private Limited	173.83	4.31%
Satyanarayan Bhandar	142.34	3.53%
Shiv Chem Innovation	121.35	3.01%
Balaji Production	118.13	2.93%
Agarwal Edibles	89.68	2.22%
Mungipa Agro Products	87.73	2.17%
<b>Total</b>	<b>2630.3</b>	<b>65.18%</b>

Particulars	Fiscal 2024	
	Revenue earned in (₹ in lakhs)	% of total revenue
Vijay Solvex Limited	2377.98	17.85%
Airson Oils Private Limited	1175.08	8.82%
Shivam Food and Fats	843.99	6.33%
Gokul Agri International Limited	600.48	4.51%
B.R Agro Products Private Limited	470.01	3.53%
Shri Ashok Kumar Arora Oil Company	469.44	3.52%
R.S.Industries	375.85	2.82%
Shree Narsingh Udyog	330.33	2.48%
Shivaji Udyog	324.41	2.43%
Om Agro Oils India LLP	267.04	2.00%
<b>Total</b>	<b>7234.61</b>	<b>54.29%</b>

Particulars	Fiscal 2023	
	Revenue earned in (₹ in lakhs)	% of total revenue
Vijay Solvex Limited	1,703.08	17.05%
R.K Food Industries	946.33	9.47%
Shree Narsingh Udyog	561.04	5.62%
S.B Agro Commodity	539.78	5.40%
A.R Enterprise	431.97	4.32%
Shivam Food and Fats	368.44	3.69%
Ridhi Sidhi Traders	286.02	2.86%
Suwalal Raviprakash Oils Private Limited	224.12	2.24%
Aone Agro Products Private Limited	223.85	2.24%
Keshav Udyog	211.19	2.11%

Particulars	Fiscal 2023	
	Revenue earned in (₹ in lakhs)	% of total revenue
<b>Total</b>	<b>5495.82</b>	<b>55.02%</b>

Particulars	Fiscal 2022	
	Revenue earned in (₹ in lakhs)	% of total revenue
Technocrats	115.35	94.47%
Sumit Traders	3.64	2.98%
Siblal Agrovet Private Limited	1.68	1.38%
Riyanshu Enterprises	1.43	1.17%
<b>Total</b>	<b>122.10</b>	<b>100.00%</b>

Our business operations are highly dependent on our customers, which we cater to and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations.

While we typically have long term relationships with our customers, we have not entered into long terms agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers and suppliers. The actual sales by our Company may differ from the estimates of our management due to the absence of long term agreements. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

Further, neither do we have any exclusive agents, dealers, distributors nor have we entered into any agreements with any of the market intermediaries for selling or marketing our products. If there occurs any change in the market conditions, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

2. *We generate our major portion of sales from our operations in certain geographical regions. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.*

We generate major sales from our customers situated at selected geographical regions. Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. The table below sets forth a break-up of the revenue earned by our Company across various domestic states during the preceding three years and the three month period ended June 30, 2024:

State	Three month period ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
Assam	-	0.00%	108.57	0.81%	431.97	4.32%	-	0.00%
Bihar	118.00	2.92%	581.07	4.36%	622.36	6.23%	120.42	98.62%
Chhattisgarh	19.31	0.48%	76.23	0.57%	21.24	0.21%	-	0.00%
Delhi	24.67	0.61%	183.27	1.38%	21.81	0.22%	-	0.00%
Gujarat	-	0.00%	68.75	0.52%	-	0.00%	-	0.00%
Haryana	118.68	2.94%	24.97	0.19%	73.98	0.74%	-	0.00%
Madhya Pradesh	149.37	3.70%	1,860.25	13.96%	254.67	2.55%	-	0.00%
Maharashtra	-	0.00%	30.39	0.23%	34.80	0.35%	-	0.00%
Odisha	-	0.00%	22.65	0.17%	-	0.00%	-	0.00%
Punjab	-	0.00%	474.51	3.56%	225.34	2.26%	-	0.00%

State	Three month period ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
Rajasthan	959.03	23.77%	2,639.06	19.81%	1,773.04	17.75%	-	0.00%
Tripura	22.61	0.56%	22.90	0.17%	-	0.00%	-	0.00%
Uttar Pradesh	524.83	13.01%	607.30	4.56%	88.82	0.89%	-	0.00%
West Bengal	2,098.72	52.01%	6,625.06	49.72%	6,413.69	64.20%	1.68	1.38%
Uttarakhand	-	0.00%	-	0.00%	27.92	0.28%	-	0.00%
<b>Total</b>	<b>4,035.22</b>	<b>100.00%</b>	<b>13,324.98</b>	<b>100.00%</b>	<b>9,989.64</b>	<b>100.00%</b>	<b>122.10</b>	<b>100.00%</b>

Existing and potential competitors to our businesses in these states may increase their focus on these states. The concentration of our operations heightens our exposure to adverse developments related to competition, as well as economic, political, demographic and other changes, which may adversely affect our business prospects, financial conditions and results of operations. While we strive to geographically diversify our product portfolio and reduce our concentration risk, we cannot assure you that adverse developments associated with the region will not impact on our business. If we are unable to mitigate the concentration risk, we may not be able to develop our business as planned and our business, financial condition and results of operation could be adversely affected.

This concentration of business subjects us to various risks, including but not limited to:

- (i) vulnerability to change in laws, policies and regulations of the political and economic environment;
- (ii) perception by our potential customers that we are a regional company which hampers us from competing for large and complex projects at the national level; and
- (iii) limitation on our ability to implement the strategy to cluster projects in the states where we intend to conduct business.

Further, any significant interruption to our operations directly or indirectly as a result of any severe weather or other natural disasters could materially and severely affect our business, financial condition and results of operations. Similar adverse consequences could follow if war, or war-like situation were to prevail or terrorist attacks, etc. In such instance, we may have to completely halt our operations which may severely impact our business operations. Any such disruption for any reason could result in significant increase of costs and delays in execution of orders.

Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside our present geographical regions may adversely affect our business prospects, financial conditions and results of operations. While our management believes that our Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance. While such instances have not materially occurred in the past, however future occurrence of any such instances could impact our earnings, financial condition and results of operation.

**3. We have a limited operating history in respect of our products, which may make it difficult for investors to evaluate our business and prospects.**

In the year June, 2022, our Company commenced its business operations of manufacturing of rice bran oil from crude oil, for sale to oil manufacturers and packers. The table below sets forth a break-up of the product wise revenue earned by our Company during the preceding three years and period ended June 30, 2024 has been provided below:

Products	Three month period ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
<b>Manufactured Products</b>								
Rice Bran Refined Oil	3,458.49	85.71%	11,717.03	87.93%	7,490.15	74.98%	-	0.00%
Sale of By-products	238.55	5.91%	955.19	7.17%	656.03	6.57%	-	0.00%
<b>Traded Goods</b>								
Rice Bran Refined Oil	-	0.00%	0.27	0.00%	566.32	5.67%	-	0.00%
Maize	-	0.00%	49.45	0.37%	-	0.00%	-	0.00%
De Oiled Rice Bran	-	0.00%	8.92	0.07%	-	0.00%	-	0.00%
Palmolein Oil	-	0.00%	-	0.00%	35.15	0.35%	-	0.00%
Fatty	-	0.00%	101.18	0.76%	-	0.00%	-	0.00%
Husk	-	0.00%	21.98	0.16%	-	0.00%	-	0.00%
Rice Bran Crude Oil	338.18	8.38%	470.96	3.53%	1,241.99	12.43%	1,22.10	100.00%
<b>Total</b>	<b>4,035.22</b>	<b>100.00%</b>	<b>13,324.98</b>	<b>100.00%</b>	<b>9,989.64</b>	<b>100.00%</b>	<b>1,22.10</b>	<b>100.00%</b>

We have a limited operating history. Due to our limited operating history, the investors may not be able to evaluate our business, future prospects and viability. Further, on account of our operating history, we may not have sufficient experience to address the risks relating to manufacturing our products and carrying out our business operations. Additionally, at an early stage, we may not be able identify risks involved in such operations and therefore could fail to achieve timely fulfilment of orders and the quality requirements of our products. While, we have sufficient orders for execution, we cannot assure you that we shall be able to execute the orders in a timely manner, without raising any product liability claims. Additionally, we may face challenges in planning and forecasting accurately as a result of our limited historical data and inexperience in implementing and evaluating our business strategies. Our inability to successfully address these risks, difficulties and challenges as a result of our inexperience and limited operating history may have a negative impact on our ability to implement our strategic initiatives, which may have an adverse effect on our business, prospects, financial condition and results of operations.

4. *Our business is dependent on the sale of our products to certain oil manufacturers with whom our Company has not entered into any long-term agreements purchasing our Rice Bran Oil. The loss of such customers, a significant reduction in purchases by such customers, or a lack of commercial success of their product of which we are a major supplier could materially adversely affect our business, results of operations and financial condition.*

We supply rice bran oil in bulk to certain oil manufacturers. We have historically derived, and may continue to derive, a significant portion of our income from sales to these customers. Any reduction in orders from our customers would adversely affect our income. The demand from our customers determines our revenue levels and results of operations, and our sales are directly affected by their production and inventory levels. Over the years, we have developed strong relationships with our customers through whom we have been able to increase the quality of our offerings. Our business depends on the continuity of business with these customers.

We have not entered into any long-term agreements with our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. Consequently, there is no commitment on the part of our customers to continue to place new purchase orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. Further, we may not find other customers for the surplus or excess capacity, in which case we may be forced to incur a loss due to lack of utilization of our production capacity. Our customers can terminate their relationships with us due to a change in preference or any other reasons, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers are under no obligation to place orders with us and may either cancel, reduce or delay orders. The orders placed by our institutional customers are dependent on factors such as customer satisfaction with the quality of our products, pricing of our products, customer's inventory management, amongst others.

Although, we have a strong emphasis on quality, pricing, timely delivery of our products and personal interaction by the senior management with our customers, any change in the buying pattern of our customers can adversely affect the business and the profitability of our Company.

5. *We derive significant portion of our revenues from the sale of by-products derived during the processing of rice bran oil and any reduction in demand from its consumers could have an adverse effect on our business, results of operations and financial condition.*

During manufacturing of rice bran oil, we generate various by-products such as fatty acid, wax gums and spent earth which are generally procured by industries such as Soap, Cosmetics, animal feeds and Batch type solvent plant. A break up of the revenue earned from sale of rice bran oil and its by-products during the preceding three years and the three months period ended June 30, 2024 has been provided below:

Customers	Three month period ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
Rice bran oil	3,458.49	85.71%	11,717.03	87.93%	7,490.15	74.98%	-	0.00%
By-products	238.55	5.91%	955.19	7.17%	656.03	6.57%	-	0.00%

Any reduction in demand from the consumers of our by-products could have an adverse effect on our business, results of operations and financial condition.

6. *We highly depend on our key raw material and a few key suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.*

We are in the business of processing of rice bran oil from crude oil, for sale to oil manufacturers and packers. We are highly dependent on few raw materials which form primary component of our manufacturing process. We procure crude oil from domestic solvent plants and also purchase from local traders. The details of the raw materials procured by us are provided below:

Raw Material		Procured from
1	Crude Oil	Directly from solvent plant and traders from across India
2	Chemicals - Enzymes, Bleaching Earth, Cytric Acid, Caustic Soda, Phosphoric Acid	Directly from the local manufacturers and traders across India

Thus, if we experience significant increase in demand, or need to replace an existing supplier, we cannot assure you that we will be able to meet such demand or find suitable substitutes, in a timely manner and at reasonable costs, or at all. Further, we may not be able to replace our suppliers in a timely manner or arrange for suppliers who provide us the raw materials of the same quality as our previous suppliers.

We depend on a number of suppliers for procurement of raw materials required for manufacturing our products. Our Company maintains a list of registered and unregistered suppliers from whom we procure the materials on order basis as per our internal demand projections. We have not entered into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacture of our products, could have a material adverse effect on our business. Further, any discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality and quantity could hamper our manufacturing schedule. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. Since our suppliers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such suppliers, which may cause them to cater to our competitors alongside us.

Further, the amount of raw materials procured and the price, at which we procure such materials, may fluctuate from time to time. In addition, the availability and price of our raw materials may be subject to a number of factors beyond our control, including economic factors, seasonal factors, environmental factors and changes in government policies and regulations, including those relating to rice bran oil industry in general. We cannot

assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Further, we also cannot assure you with a reasonable certainty that the raw materials that we would procure in the future will not be defective. In the absence of formal agreements, should we receive any defective raw materials, we may not be in a position to recover any advance payments made or claim compensation from our suppliers consequently increasing the manufacturing costs and/or reducing the realization of our finished products. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins which could adversely affect our business, results of operations and financial condition.

**7. *Our products are in the nature of commodities, and their prices are subject to fluctuations that may affect our profitability.***

Our earnings are to an extent dependent on the prices of the commodities that we sell mainly physically refined rice bran oil. These fluctuate due to factors beyond our control, including, amongst others, world supply and demand, supply of raw materials, weather, crop yields, trade disputes between governments of key producing and consuming countries and governmental regulation. Global demand for agricultural commodities may be adversely affected in periods of sustained economic downturn, while supply may increase due to weather patterns or long-term technological developments, all of which are factors beyond our control. High commodity prices have also led to an exponential rise in raw material prices, which could result in a decrease in our gross profit margin. Nonetheless, it is difficult to predict the specific price fluctuations that may occur and the exact impact which they may have on our earnings, and it is possible for such price fluctuations to adversely affect our business, results of operations and financial condition.

**8. *All of our experience in respect of our business operations is limited to manufacturing of rice bran oil and therefore our Company has limited experience of packaging its products and selling them on a retail basis. Hence, we have limited exposure in operating a packaging line and marketing our products outside to retail customers, which may make it difficult to evaluate our past performance and prospects with respect to the same.***

We are in the business of processing of rice bran oil from crude oil and selling in bulk to oil manufacturers and packers. While, we leverage on our ongoing relationship with reputed brands and oil manufacturers, however we also intend to expand our customer base and product reach, by packaging our products in smaller quantities for sale to retailers and wholesalers. We also intend to create a brand presence of our products, which indirectly are already well placed in market, on account of being rebranded and sold by our customers. We intend to leverage the quality of our products for establishing a brand presence for our products in the domestic market. We intend to utilise an amount of ₹ 329.87 lakhs towards setting up of a packaging line at our existing manufacturing unit in Burdwan. We believe that our quality of products and efficient production process positions us well in the Indian market to capitalize on the demand for healthier cooking oils.

While, our Company has an experience of processing rice bran oil and marketing and selling the same in bulk to oil manufacturers and packers, however the experience that we have gained from our existing operations may not be fully relevant or applicable to our proposed expansion towards a retail customer base. We face additional risks if we undertake expansion and diversification of our customer base in which we do not possess the same level of experience.

Given our limited operating history in dealing with retail customers and understanding the demand and preference of retail customers, we may not succeed in addressing certain risks pertaining to such products in an early stage of growth, including our ability to acquire and retain customers or maintain adequate control of our costs and expenses. Entering into new markets may pose challenges to our management, administrative, financial and operational resources. If we are unsuccessful in addressing business risks in time or at all, our business may be materially and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company. Further, our limited operating history may not provide a meaningful basis for evaluating our business, financial performance, prospects or results of operations, or to make a decision about an investment in our Equity Shares. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 77 of this Draft Prospectus.

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

*any bank or financial institution.*

Our Company intends to use the Net Proceeds towards the various heads as disclosed in the section titled “*Objects of the Issue*” on page 77. Further, the plans for deployment of the Net Proceeds are in accordance with our management’s estimates and have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, and interest or exchange rate fluctuations and consequently its requirements may change.

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

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

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

Our Company has received third party quotations for the plant and machinery required to be installed in the proposed packaging line, for details please refer to the chapter titled “*Objects of the Issue*” on page 77 of this Draft Prospectus. Although, we have identified the type of plant and machinery to be purchased, we are yet to place order for 100% of the plant and machinery. Further, the cost of the machineries is based on the quotations received from suppliers and such quotations are subject to change due to various factors such as, change in supplier of equipment, change in the government regulation and policies, change in management’s view of desirability of the current plans, possible cost overruns, etc. Since, we have not yet placed orders for the said plant and machinery we cannot assure that we will be able to procure the same in a timely manner and at the same price at which the quotations have been received. Delay in procurement of the same or fluctuation in the foreign exchange rate can cause time and cost overrun in the implementation of our proposed project and can also compel us to buy such machineries at a higher price, thus causing the budgeted cost to vary. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

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

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

***West Bengal - GSTR3B : [19ABFCS3751F1Z8]***

<b>Month</b>	<b>Due Date of filing</b>	<b>Date of Filing Return</b>	<b>Reason of Delay</b>	<b>Delay Period</b>
March,2024	20/04/2024	26/04/2024	Delay in Reconciliation of GST	6 Days
March,2023	20/04/2023	23/04/2023		3 Days
May, 2021	20/06/2021	10/07/2021		20 Days
April, 2021	20/05/2021	23/05/2021		3 Days

It cannot be assured, that there will not be such instances in the future or our Company will not commit any



further delays or defaults in relation to payment of statutory dues. The happening of such event may cause imposition of fine/ penalty which may have adverse effect on the results of our operations and financial position.

**West Bengal - GSTR1: [19ABFCS3751F1Z8]**

Month	Due Date of filing	Date of Filing Return	Reason of Delay	Delay Period
April'2021	11/05/2021	23/05/2021	Shortage of Fund	12 days

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

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

Month	Due Date of filing	Date of Filing Return	Reason of Delay	Delay Period
March'2024	15-04-2023	29-02-2024	Technical issues on ESIC Portal	320 days
February'2023	15-03-2023	29-02-2024		351 days
January'2023	15-02-2023	29-02-2024		379 days
December' 2022	15-01-2023	29-02-2024		410 days
November'2022	15-12-2022	24-02-2024		436 days
October'2022	15-11-2022	24-02-2024		466 days
September'2022	15-10-2022	24-02-2024		497 days
August'2022	15-09-2022	24-02-2024		527 days
July'2022	15-08-2022	24-02-2024		558 days
June'2022	15-07-2022	24-02-2024		589 days
May'2022	15-06-2022	24-02-2024		619 days
April'2022	15-05-2022	24-02-2024		650 days

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

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

Month	Due Date of filing	Date of Filing Return	Reason of Delay	Delay Period
October	15-11-2022	07-12-2022	Technical issues on Provident Fund Portal	22 days
September	15-10-2022	07-12-2022		53 days
August	15-09-2022	07-12-2022		83 days
July	15-08-2022	07-12-2022		114 days
June	15-07-2022	07-12-2022		145 days
May	15-06-2022	07-12-2022		175 days
April	15-05-2022	07-12-2022		206 days

- 14. There have been instances of delays in filings of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to ROC.**

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

Form Type	Due Date of Filing	Actual Date of Filing	Reason for Delay
DPT-3 (2023-24)	30.06.2024	15.07.2024	Technical issues on MCA Portal

No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays in relation to its reporting

requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

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

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

Particulars	(₹ in lakhs)			
	30th June, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Net cash flow used in operating activities	498.66	36.08	(1,227.61)	5.11
Net cash flow used in investing activities	(17.23)	(5.51)	(140.08)	(1,089.96)
Net cash flow used in financing activities	(458.44)	(102.93)	1,473.09	1,089.92

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, please refer “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 166 and 209, respectively.

**16. 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.

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.

**17. If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business, it may have a material adverse effect on our business, results of operations and financial condition.**

We require certain statutory and regulatory licenses, registrations and approvals to operate our business some of which are granted for a fixed period of time and need to be renewed from time to time. Further, in future, we may also be required to obtain new licenses, registrations and approvals for any proposed operations, including any expansion of existing operations. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. For instance, our Company has made applications for (i) Fire Safety Certificate before Government of West Bengal Office of the Divisional Fire Officer, East Bardhaman; (ii) renewal of license under the West Bengal Fire Services Act, 1950 before Collector, Fire License Section, Kolkata; and (iii) for obtaining a license to operate a factory under the West Bengal Right to Public Services Act, 2013, however, we cannot assure you that such licenses will be granted or renewed in time or at all. Additionally, we are yet to apply for licenses and approvals required for setting up of the packing line in our existing manufacturing unit. Further, these licenses, registrations and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. We may be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. Further, our Company will be responsible for bearing any and all liabilities arising out of this non-compliance. If we are

unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues and operations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may have a material adverse effect on our business. For further details on the licenses obtained by our Company and licenses for which renewal applications have been made, kindly refer the chapter titled "*Government and Other Approvals*" beginning on page 231 of this Draft Prospectus.

**18. *Our continued operations are critical to our business and any shutdown of our manufacturing unit may adversely affect our business, results of operations and financial condition.***

Our manufacturing unit is located in Purba Bardhaman, West Bengal. As a result, any local social unrest, natural disaster or breakdown of services and utilities in these areas could have material adverse effect on the business, financial position and results of our operations. Our current manufacturing unit is subject to operating risks, such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities.

In the event, we are forced to shut down our manufacturing unit for a prolonged period; it would adversely affect our earnings, our other results of operations and financial condition as a whole. Spiralling cost of living around our unit may push our manpower costs in the upward direction, which may reduce our margin and cost competitiveness.

In addition to the above if our manufacturing unit suffers losses as a result of any industrial accident, we may be forced to shut down our manufacturing unit which could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition. Further, any contravention of or non-compliance with the terms of various regulatory approvals applicable to our manufacturing unit may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labor involved in our manufacturing unit, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

**19. *Our Group Company is engaged in a similar line of business as our Company and may compete with us.***

Our Group Company, Birbhum Oils Industries Private Limited, are engaged in the same business as our Company, and may have common pursuits with our Company. We cannot assure you that there will be no conflict of interest in allocating business opportunities between us and our Group Company going forward. While, there is currently no active conflict between our Group Company and our Company, however we cannot assure you that there will not be any conflict of interest in allocating business opportunities between us and our Group Company going forward. We have not entered into any non-compete agreement with our Group Company, and there can be no assurance that our Group Company will not compete with our existing business or that we will be able to suitably resolve any such conflict without an adverse effect on our business and financial performance.

**20. *Any failure in our quality control processes may adversely affect our business, results of operations and financial condition. We may face product liability claims and legal proceedings if the quality of our products does not meet our customers' expectations.***

Our products may contain certain quality issues or undetected errors, due to defects in manufacture of products or raw materials which are used in the products. We have a quality control and assurance division ("**Quality Division**") in our manufacturing unit which carries out the required tests on the materials received including raw materials which are used in the manufacturing process and also on the final products. Our quality laboratory carries out tests on the raw materials and finished products to ensure that our products are compliant with the specifications provided by our customers in case of sales and are compliant with specifications of FSSAI. Our Quality Division also carries out tests on all the stages of our manufacturing processes to ensure that the quality is built through the process. We have implemented quality control processes for our raw materials and finished goods, however, we cannot assure you that our quality control processes or our product will pass the quality tests and inspections conducted by various agencies as per their prescribed standards will not fail. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality control

procedures, negligence and human error or otherwise, may damage our products and result in deficient products. It is imperative for us to meet the regulatory quality standards set by regulatory agencies and our customers as deviation from the same can cause them to reject our products and can also cause damage to our reputation, market standing and brand value.

In the event the quality of our products is sub-standard or our products suffer from defects and are returned by our customers due to quality complaints, we might be compelled to take back the sub-standard products and reimburse the cost paid by our customers. Such quality lapses could strain our longstanding relationship with our customers and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition. Our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which could have a severe impact on our revenue and business operations. We also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs.

***21. Unfavourable local weather patterns may have an adverse effect on our business, results of operations and financial condition.***

As an edible oil company, our business is sensitive to weather conditions, including extremes such as drought, floods and natural disasters. There is growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. The availability of raw materials for our operations, which includes, amongst others, crude oil which is derived from rice bran may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought caused by weather patterns such as the El Nino. Such events may have an adverse impact on the availability and prices of raw materials mainly crude oil for our operations, which may increase the costs of our operations as well as negatively affect our business, results of operations and financial condition.

***22. Any failure of diversification into additional oils may adversely affect our business, results of operations and financial condition.***

As a part of our diversification plans, we intend to enter the manufacturing, distribution, marketing and selling of oils, such as, sunflower oil, mustard oil, soya oil and palm oil. We intend to diversify our product portfolio for both our institutional clients and our customers. We will leverage our existing relationship with our clients for obtaining supply contracts to achieve high volume of sales. In the event of any failure to successfully diversify into new products due to lack of demand from the public for our new products under our own brand or lack of demand from institutional customers for our products may adversely affect our business, results of operations and financial condition.

***23. Any delays and/or defaults in payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition.***

We are exposed to payment delays and/or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business network model, we majorly supply our products directly to our customers without taking any advance payment or security deposit against the orders placed by them. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition.

There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

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

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

Further, one of the objects of this Issue include funding of working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please see “*Objects of the Issue*” on page 77. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

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

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

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

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

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

- 26. *We are dependent on third party transportation providers for delivery of raw materials to us from our suppliers and delivery of our products to our customers. We have not entered into any formal contracts with our transport providers and any failure on part of such service providers to meet their obligations could adversely affect our business, financial condition and results of operation.***

To ensure smooth functioning of our manufacturing operations, we need to maintain continuous supply and transportation of the raw materials required from the supplier to our manufacturing unit and transportation of our products from our unit to our customers, which may be subject to various uncertainties and risks. We are dependent on third party transportation providers for the delivery of raw materials to us and delivery of our products to our customers. Uncertainties and risks such as transportation strikes or delay in supply of raw materials and products could have an adverse effect on our supplies and deliveries to and from our customers and suppliers. Additionally, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. A failure to maintain a continuous supply of raw materials or to deliver our products to our customers in a timely, efficient and reliable manner could adversely affect our business, results of operations and financial condition.

Further, we have not entered into any long term agreements with our transporters for our manufacturing unit and the costs of transportation are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that the transport agencies would fulfill their obligations or would not commit a breach of the understanding with us. In the event that the finished goods or raw materials suffer damage or are lost during transit, we may not be able to prosecute the agencies due to lack of formal agreements. Further, the transport agencies are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms or prices, which may cause them to cater to our competitors alongside us or on a priority basis, which could adversely affect our business, results of operations and financial condition.

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

As of June 30, 2024, our Company has availed certain unsecured loans from our Promoter, Chhajer Agro Products Private Limited. As of June 30, 2024, the total outstanding unsecured loans availed by our Company are ₹ 123.06 lakhs, which may be recalled at any time. In the event, any of such unsecured lenders seek a repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to undertake new projects or complete our ongoing projects. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see “*Financial Indebtedness*” on page 223 of this Draft Prospectus.

- 28. *Failure to identify and effectively respond to changing consumer preferences and spending patterns in a timely manner, may adversely affect the demand for our products, causing our business, results of operations, financial condition and cash flows.***


The edible oil market is characterized by frequent changes, particularly in consumer preferences, new products and product variations. The popularity and demand of our rice bran oil may vary over time due to changing consumer preferences, including those relating to new edible oil products or shift to other edible oil products like sunflower oil, ground nut oil etc. Consumer preferences in the FMCG markets are difficult to predict and changes in those preferences or the introduction of new products by our competitors could put our products at a competitive disadvantage. Our continued success depends on our ability to anticipate, gauge and react in a timely and cost-effective manner to changes in consumer preferences for our products, as well as to where and how consumers shop for those products. We continually work to enhance the recognition of our brands and products and refine our approach as to how, when and where we can market and sell our products. While we aim to introduce new brands and products from time to time, we recognize that consumer preferences cannot be

predicted with certainty and can change rapidly, and that there is no certainty that, these will be commercially viable or effective or accepted by our consumers. If we are unable to foresee or respond effectively to the changes in market conditions, new and changing trends or desired consumer preferences, accurately anticipate and forecast demand for products, then there may be a decline in the demand and sales for our products, thereby reducing our market share and preventing us from acquiring new customers and retaining existing customers, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

**29. *Our inability to manage inventory in an effective manner could affect our business.***

Our business model requires us to maintain a certain level of inventory to meet the present and future orders. Crude Oil is the key raw material used to manufacture all of our products which we procure from traders or solvent units. There can be no assurance that we will be able to procure all of our future raw material requirements at commercially viable prices. We may not be able to stock adequate quantity of raw materials required by our Company. If we underestimate the orders that we may receive we may experience inventory shortages and a loss of opportunity. Similarly, an over estimation of orders may result in over stocking leading to increased holding costs. Additionally, any over run in holding of such goods may lead to their decay. Therefore, any mismanagement on our part to determine the optimum inventory levels may impact our operations and cause us to incur losses.

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

Our Company is currently using the logo  which is not yet registered in the name of our Company. While, our Company has made an application for registering our logo with the Registry of Trademark, however the same is pending. There can be no assurance that third parties will not infringe upon our name and logo, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which could adversely affect our business, results of operations and financial condition.

We are also exposed to the risk that other entities may pass off their products as ours by imitating our brand name and attempting to create counterfeit products. We believe that there may be other companies or vendors which operate in the unorganized segment using our brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, since our name and logo are not yet registered, such protection may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition. Furthermore, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. For further details, please refer to the chapters titled “*Our Business*” and “*Government and other Statutory Approvals*” on pages 112 and 231, respectively of this Draft Prospectus.

**31. *Our business may expose us to potential product liability claims and recalls, which could adversely affect our results of operation, goodwill and the marketability of our products.***

We may be exposed to potential product liability claims, and the severity and timing of such claims are unpredictable. We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling which may lead to the deterioration of our products. We do not maintain a product liability insurance, therefore we will not be able to insure or cover the risks arising out of any such claims. Any product liability claims would likely require us to incur substantial amounts on litigation and require our management’s time and focus. Further, customers may cease purchasing products from us. Accordingly, such product liability claims, may adversely affect our results of operation, goodwill and the marketability of our products.

- 32. *We have significant power requirements for continuous running of our manufacturing unit. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.***

Our manufacturing operations require significant amount of electricity and any interruption in the supply of power may temporarily disrupt our operations. Since, our manufacturing process requires high power consumption, any unexpected or unforeseen increase in the tariff rates can increase the operating cost of our manufacturing unit and thereby cause an increase in the production cost which we may not be able to pass on to our customers. There are limited number of electricity providers in the areas from where we operate due to which in case of a price hike, we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition, cash flows and results of operations. For further details, please refer to the chapter titled “*Our Business*” on page 112 of this Draft Prospectus.

- 33. *We operate in a competitive business environment and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.***

The edible oil market in India is competitive with both organized and unorganized markets. However, we are required to compete both in the domestic and international markets. We may be unable to compete with the prices and products offered by our competitors. We may have to compete with new players in India and abroad who enter the market and are able to offer competing products. Our competitors may have access to greater financial, manufacturing, research and development, marketing, distribution and other resources and more experience in obtaining the relevant regulatory approvals. Increasing competition may result in pricing pressures and decreasing profit margins or loss of market share or failure to improve our market position, any of which could substantially harm our business and results of operations. We cannot assure you that we will be able to compete with our existing as well as future competitors as well as the products prices and payment terms offered by them. In addition, our customers may enter into contract manufacturing arrangements with third parties, for products that they are presently purchasing from us. Our failure to successfully face existing and future competitors may have an adverse impact on our business, growth and development.

Further, some of our competitors may be larger than we are or develop alliances to compete against us and may have greater resources, market presence and geographic reach and have products with better brand recognition than ours. Some of our competitors may be able to procure raw materials at lower costs than us, and consequently be able to sell their products at lower prices. As a result, our competitors may be able to withstand industry downturns better than us or provide customers with products at more competitive prices. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. Consequently, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition. We cannot assure you that we will be able to maintain our existing market share. Our competitors may significantly increase their marketing expenses to promote their brands and products, which may require us to similarly increase our advertising and marketing expenses and engage in effective pricing strategies, which we may not be able to pass on to our customers which in turn may have an adverse effect on our business, results of operations and financial condition. For further details, please see “*Industry Overview*” on page 99 of this Draft Prospectus.

- 34. *Our Promoter, Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.***

Our Promoter, Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoter, Directors and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to the paragraphs titled — “*Interest of our Directors*” in the chapter titled — “*Our Management*”, the paragraphs titled — “*Interest of Promoters*” in the chapter titled — “*Our Promoter and Promoter Group*”, “*Financial Indebtedness*” and “*Restated Financial Information*” on pages 147, 141, 158 and 155, respectively of this Draft Prospectus.

There can be no assurance that our Promoter, Directors, Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition



of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

**35. *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 231.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 77 of this Draft Prospectus.

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

The growth and success of our Company’s future significantly depends upon the experience of our Promoter and continued services and the management skills of our Key Managerial Personnel and the guidance of our Promoter and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — “*Our Management*” on page 141 of this Draft Prospectus.

**38. *Our Company has issued Equity Shares in the last one year at a price which is lower than the Issue Price.***

We have issued Equity Shares in the preceding one year at a price which is lower than the Issue Price. The details of the Equity Shares have been provided below:

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment
August 1, 2023	12,79,090	10	10	Cash	Rights Issue to shareholders holding Equity Shares on June 25, 2023 <sup>(1)</sup>

<sup>(1)</sup>Rights issue of 12,79,090 Equity Shares to Vandana Chhajer (3,60,976); Shrey Jain (2,17,551); Lakshay Jain (4,25,971); Dilip Chhajer (2,05,612); and Chhajer Dilip Chand (HUF) (68,980).

We cannot assure you that any issuance of Equity Shares made by our Company post completion of this Issue will be above the Offer Price or the prevailing market price of our Equity Shares. For further details, please see “Capital Structure” on page 65.

**39. There are outstanding litigations involving our Promoters which, if determined adversely, may affect our business and financial condition.**

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

A summary of the pending litigations involving our Promoters is provided below:

**d) Litigations involving our Directors**

*iii) Cases filed against our Directors:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters*	1	11.88
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

\*Includes litigation filed against the Promoters

*iv) Cases filed by our Directors:*

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

**e) Litigations involving our Promoters**

*iii) Cases filed against our Promoters:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	1	11.88
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

*iv) Cases filed by our Promoters:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil

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

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page No. 226 of this Draft Prospectus.

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

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

**41. *The average cost of acquisition of Equity Shares held 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 which is proposed to be determined through fixed price mechanism. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled “*Capital Structure*” on page 65 of this Draft Prospectus.

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

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

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

As of June 30, 2024, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please refer to the chapter titled — “*Restated Financial Information*” at page 166.

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

**44. *Our Promoters have extended personal and corporate guarantees and collateral securities with respect to various loan facilities availed by our Company. Revocation of any or all of these personal guarantees or withdrawal of the collateral securities may adversely affect our business operations and financial condition.***

Our Promoters, Dilip Chhajer, Vandana Chhajer, Lakshay Jain and Shrey Jain have extended personal guarantees and Chhajer Agro Products Private Limited has extended corporate guarantees to secure the loans availed by our Company. Further, Chhajer Agro Products Private Limited has extended its own property as collateral security for securing the loans availed by our Company. In the event any of these guarantees are revoked or properties are withdrawn, our lenders may require us to furnish alternate guarantees or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees in a timely manner or at all. If the guarantees is invoked, the ability of our Company to continue its business operations could be adversely affected. Further, if our lenders enforce any of the restrictive covenants or exercise their options under the relevant debt financing arrangement, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details please refer to the chapter titled “*Financial Indebtedness*” on page 223 of this Draft Prospectus.

**45. *Our agreements with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.***

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans from third parties, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future. For details of these restrictive covenants, please refer to chapter titled — “*Financial Indebtedness*” on page 223 of this Draft Prospectus.

Further, some of our financing arrangements include covenants to maintain our total outside liabilities and total net worth up to a certain limit and certain other liquidity ratios. We cannot assure prospective investors that such covenants will not hinder our business development and growth in the future. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. Defaults under one or more of our Company’s financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, business, results of operations and financial condition.

It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest.

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

As on June 30, 2024 our Company’s total borrowings are ₹ 1926.98 lacs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favorable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — “*Financial Indebtedness*” on page 223 of this Draft Prospectus.

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

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information, kindly refer the chapter titled “*Financial Indebtedness*” beginning on page 223 of this Draft Prospectus.

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

Since the Issue size is less than ₹ 10,000 lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

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

Our Company intends to use the Net Proceeds towards various heads, as disclosed in the section titled “*Objects of the Issue*” on page 77. In case of any exigencies arising out of business conditions, economic conditions, competition or other factors beyond our control which adversely affect our business, we may require to use the Net Proceeds to meet any other expenditure or fund which expenditure cannot be determined with certainty as on the date of this Draft Prospectus. In terms of Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances requiring us to undertake variation in the utilisation of the Net Proceeds disclosed in the Draft Prospectus, we cannot assure that we will be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business or operations.

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

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

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

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as breakdown, malfunctions, sub-standard performance, fire, riots, third party liability claims, etc. Details if the insurance policies availed by our Company have been provided below:

S. No.	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (₹ in Lakhs)
1.	United India Insurance Company Limited	Water Tube Boiler	0318014423P106157701	06/08/2024	47.00
2.	United India Insurance Company Limited	Machinery SI	0318014423P106157779	06/08/2024	150.75

S. No.	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (₹ in Lakhs)
3.	United India Insurance Company Limited	Equipments	0318014423P106158023	06/08/2024	15.00
4.	United India Insurance Company Limited	Crude Rice Bran Oil, Refine Rice Bran Oil, Hexane, Rice Bran, De Oiled Rice Bran	0318012124P102619808	21/05/2025	2,500.00
5.	United India Insurance Company Limited	Contents and Building	0318011124P100160572	31/03/2025	3,000.00

There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “Dividend Policy” on page 165 of this Draft Prospectus.

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

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

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

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

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management’s attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of

operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

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

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

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

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

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

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

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the lead manager, will determine the Issue Price. The Issue Price may be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the securities markets elsewhere in the world.

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

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

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

The Equity Shares will be listed on the SME Platform of BSE Limited. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchange, trading in the Equity Shares is to commence within three (03) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI. We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further, there can be no assurance that the Equity Shares to be Allotted pursuant to this Issue will be listed on the Stock Exchanges in a timely manner or at all.

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

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

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

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

- volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- changes in financial analysts' estimates of our performance or recommendations;
- perceptions about our future performance or the performance of Indian companies in general;
- performance of our competitors and the perception in the market about investments in the industries in which we operate;
- adverse media reports about us or the industries in which we operate;
- significant developments in India's economic liberalisation and deregulation policies;
- significant developments in India's fiscal and environmental regulations;
- economic developments in India and in other countries; and
- any other political or economic factors.

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

Indian stock exchanges, including the Stock Exchanges, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some



cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

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

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

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

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

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

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

## **EXTERNAL RISK FACTORS**

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

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

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

Technology, Government of India (“**MoEIT**”) has submitted a new Digital Personal Data Protection Bill, 2022 before the Parliament.

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

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

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

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

In addition to the factors set forth above, our business may be affected by adverse changes specific to the industries in which we operate.

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

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

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

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

**68. *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.

**69. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance of our business. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence and spending. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

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

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

**71. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well as the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

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## SECTION III – INTRODUCTION

### THE ISSUE

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

Particulars	Details of Equity Shares
Issue of Equity Shares <sup>1) 2)</sup>	Upto 17,00,000 Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●]/- per Equity Share aggregating to ₹ [●] lacs. <sup>2)</sup>
<b>of which:</b>	
Market Maker Reservation Portion	Issue of [●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
Net Issue to Public <sup>3)</sup>	Issue of [●] Equity Shares having face value of ₹10 each at a price of ₹ [●]/- per Equity Share aggregating ₹ [●] lakhs
<b>of which:</b>	
[●] Equity Shares having face value of ₹10 each at a price of ₹ [●]/- per Equity Share aggregating ₹ [●] lakhs will be available for allocation to Retail Individual Investors	
[●] Equity Shares having face value of ₹10 each at a price of ₹ [●]/- per Equity Share aggregating ₹ [●] lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for	
<b>Pre and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	42,69,682 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Net proceeds of this Issue	Please refer the chapter titled “ <i>Objects of the Issue</i> ” on page 77 of this Draft Prospectus.

<sup>1)</sup> This Issue is being made in terms of Regulation 253(2) of Chapter IX of the SEBI (ICDR) Regulations. For further details, please refer to section titled “Issue Information” on page 246 of this Draft Prospectus.

<sup>2)</sup> The present Issue has been authorised pursuant to a resolution passed by our Board at its meeting held on July 11, 2024 and by our Shareholders by way of a special resolution passed pursuant to Section 62(1) (c) of the Companies Act, 2013 at the EGM held on July 15, 2024.

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

a) Minimum fifty percent to retail individual investors; and

b) Remaining to

(i) individual applicants other than retail individual investors and

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

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

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

For further details please refer to the chapter titled “Issue Structure” beginning on page 252 of this Draft Prospectus.

## **SUMMARY OF FINANCIAL INFORMATION**

*The following tables provide the summary financial information of our Company derived from the Restated Financial Information as at and for the three months period ended June 30, 2024 and as at and for the Financial Years ended on March 31, 2024, 2023 and 2022. The Restated Financial Information referred to above is presented under the section titled “Financial Information” on page 166. The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections titled “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 166 and 209, respectively.*

*(The remainder of this page is intentionally left blank)*

**RESTATED STATEMENT OF ASSETS & LIABILITIES**
*(₹ in lakhs)*

Particulars	As at 30th June, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b><u>EQUITY AND LIABILITIES</u></b>				
<b>Shareholders Fund</b>				
(a) Equity Share Capital	426.97	426.97	299.06	299.06
(b) Reserves and Surplus	285.31	197.07	3.83	1.14
<b>Total Shareholder's Fund</b>	<b>712.28</b>	<b>624.04</b>	<b>302.89</b>	<b>300.20</b>
<b>Liabilities</b>				
<b>Non-current Liabilities</b>				
(a) Long Term Borrowings	375.74	409.07	542.39	495.94
(b) Deferred Tax liabilities	32.32	30.11	18.09	-
(c) Non Current Provisions	1.01	0.80	0.58	-
<b>Total Non-current liabilities</b>	<b>409.07</b>	<b>439.98</b>	<b>561.06</b>	<b>495.94</b>
<b>Current liabilities</b>				
(a) Short Term Borrowings	1,551.25	1,929.80	1,839.79	295.82
(b) Trade payables				
i) Total outstanding dues of micro & small enterprises	13.43	15.27	-	-
ii) Total outstanding dues of creditors other than micro & small enterprises	934.61	134.54	239.14	13.33
(c) Other Current Liabilities	24.65	39.56	116.32	159.67
(d) Short Term Provisions	14.84	0.77	0.00	0.09
(e) Current tax liabilities (Net)	-	-	-	-
<b>Total Current Liabilities</b>	<b>2,538.78</b>	<b>2,119.94</b>	<b>2,195.25</b>	<b>468.91</b>
<b>Total Equity and Liabilities</b>	<b>3,660.13</b>	<b>3,183.96</b>	<b>3,059.20</b>	<b>1,265.05</b>
<b><u>ASSETS</u></b>				
<b>Non-current assets</b>				
<b>(A) Property, Plant and Equipment and Intangible assets</b>				
(a) Property, Plant and Equipment	1,112.85	1,117.91	1,179.77	-
(b) Other Intangible Assets	0.10	0.10	0.12	-
(c) Capital Work in Progress		-	-	1,068.45
(B) Other Non - Current Assets	52.92	44.92	35.36	34.33
<b>Total Non-Current Assets</b>	<b>1,165.87</b>	<b>1,162.93</b>	<b>1,215.25</b>	<b>1,102.78</b>
<b>Current assets</b>				
(a) Inventories	2,073.56	1,765.32	1,480.27	-
(b) Trade Receivables	224.73	84.98	91.43	-
(c) Cash and Cash Equivalents	61.10	38.11	110.47	5.07
(d) Short Term Loans and Advances	36.10	48.07	161.78	157.20
(e) Other Current Assets	98.77	84.55	-	-
<b>Total Current Assets</b>	<b>2,494.26</b>	<b>2,021.03</b>	<b>1,843.95</b>	<b>162.27</b>
Assets classified as held for sale		-	-	-
<b>Total Assets</b>	<b>3,660.13</b>	<b>3,183.96</b>	<b>3,059.20</b>	<b>1,265.05</b>

**RESTATED STATEMENT OF PROFIT & LOSS**
*(₹ in lakhs)*

Particulars	For the period ended 30th June, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	2nd February, 2021 to 31st March, 2022
<b>Revenue</b>				
Revenue from operations	4,035.22	13,324.98	9,989.64	122.10
Other Income	14.83	107.19	3.91	0.48
<b>Total Revenue</b>	<b>4,050.05</b>	<b>13,432.17</b>	<b>9,993.55</b>	<b>122.58</b>
<b>Expenses</b>				
Purchases of Traded Goods	345.83	606.56	1,795.62	96.99
Cost of Material Consumed	3,377.48	12,186.25	9,233.75	-
Changes in Inventory of Finished Goods, Work in Progress & Stock in trade	96.41	(47.82)	(1,430.41)	-
Employee benefit Expenses	5.15	23.20	24.08	-
Finance costs	46.56	187.52	117.33	0.90
Depreciation & Amortization	17.29	68.86	51.79	-
Other Expenses	54.81	191.79	180.57	23.17
<b>Total Expenses</b>	<b>3,943.53</b>	<b>13,216.36</b>	<b>9,972.73</b>	<b>121.06</b>
<b>Profit / Loss before exceptional item and tax</b>	<b>106.52</b>	<b>215.81</b>	<b>20.82</b>	<b>1.52</b>
<b>Exceptional Item</b>		-	-	-
<b>Profit / (Loss) before Tax</b>	<b>106.52</b>	<b>215.81</b>	<b>20.82</b>	<b>1.52</b>
<b>Income tax expense</b>				
- Current tax	16.06	10.55	-	0.38
- Deferred tax	2.22	12.02	18.09	-
- Income tax for earlier years		-	0.04	-
<b>Total Tax Expenses</b>	<b>18.28</b>	<b>22.57</b>	<b>18.13</b>	<b>0.38</b>
<b>Profit/ (loss) for the year from continuing operations</b>	<b>88.24</b>	<b>193.24</b>	<b>2.69</b>	<b>1.14</b>
Earnings per equity share (for continuing operation):				
Equity Shares of face Value Rs.10/- each				
(1) Basic	<b>2.07</b>	<b>5.03</b>	<b>0.09</b>	<b>0.04</b>
(2) Diluted	<b>2.07</b>	<b>5.03</b>	<b>0.09</b>	<b>0.04</b>

## CASH FLOW STATEMENT

(₹ in lakhs)

Particulars	For the period ended 30th June, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the period 2nd February, 2021 to 31st March, 2022
<b>Cash Flow from Operating Activities</b>				
Net Profit before tax	106.52	215.81	20.82	1.52
Adjustments for:				
Depreciation	17.29	68.86	51.79	-
Finance Cost	46.56	187.52	117.33	0.90
Interest Income	-	(1.47)	(1.15)	(0.48)
Liability Written Back	(0.01)	(19.83)	(1.06)	-
Sundry balance written off	-	0.53	-	0.00
Provision for Gratuity	0.22	0.21	0.59	-
<b>Operating Profit before Working Capital Changes</b>	<b>170.58</b>	<b>451.63</b>	<b>188.32</b>	<b>1.94</b>
Adjustments for:				
(Increase)/Decrease in Short Term Loans and Advances	16.96	99.13	(11.34)	(135.21)
(Increase)/Decrease in Trade Receivables	(139.76)	5.93	(91.43)	(0.00)
(Increase)/Decrease in Inventories	(308.24)	(285.05)	(1,480.27)	-
(Increase)/Decrease in Other non Current Assets	(8.00)	(9.56)	(1.03)	(34.32)
Increase/(Decrease) in Trade Payables	798.24	(69.50)	226.86	13.33
Increase/(Decrease) in Other Current Liabilities	(14.90)	(76.76)	(43.35)	159.67
Increase/(Decrease) in Short Term Provisions	-	-	-	-
Increase/(Decrease) in Other Current Assets	(14.22)	(84.54)		
<b>Net cash from Operating Activities (A)</b>	<b>500.66</b>	<b>31.28</b>	<b>(1,212.24)</b>	<b>5.41</b>
Direct Tax Paid/(Refunded)	2.00	(4.80)	15.37	0.30
	<b>498.66</b>	<b>36.08</b>	<b>(1,227.61)</b>	<b>5.11</b>
<b>Cash Flow from Investing Activities</b>				
Purchase of Property Plant & Equipment (including Capital Work in Progress)	(12.23)	(6.98)	(163.23)	(1,068.44)
Interest Received	-	1.47	1.15	0.48
Capital advances	(5.00)	-	22.00	(22.00)
<b>Net Cash used in Investing Activities (B)</b>	<b>(17.23)</b>	<b>(5.51)</b>	<b>(140.08)</b>	<b>(1,089.96)</b>
<b>Cash Flow from Financing Activities</b>				
Proceeds From Long Term Borrowings	(33.33)	(133.33)	1,543.97	495.94
Proceeds From Short Term Borrowings	(378.55)	90.01	46.45	295.82
Proceeds Form Issue of Equity Shares	-	127.91		299.06
Finance Cost	(46.56)	(187.52)	(117.33)	(0.90)
<b>Net Cash used in Financing Activities (C)</b>	<b>(458.44)</b>	<b>(102.93)</b>	<b>1,473.09</b>	<b>1,089.92</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>22.99</b>	<b>(72.36)</b>	<b>105.40</b>	<b>5.07</b>
<b>Cash and Cash Equivalents at beginning of the Year</b>	<b>38.11</b>	<b>110.47</b>	<b>5.07</b>	<b>-</b>
<b>Cash and Cash Equivalents at end of the Year*</b>	<b>61.10</b>	<b>38.11</b>	<b>110.47</b>	<b>5.07</b>



## GENERAL INFORMATION

Our Company was originally incorporated under the name 'Swasth Foodtech India Private Limited', pursuant to a certificate of incorporation dated February 2, 2021 issued by the Deputy Registrar of Companies, Registrar of Companies, Central Registration Centre. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in their meeting held on January 27, 2024 and by the Shareholders in an Extraordinary General Meeting held on February 21, 2024 and a fresh certificate of incorporation dated May 20, 2024 was issued by the Registrar of Companies, Central Registration Centre. Consequent to the conversion of our Company, the name of our Company was changed to 'Swasth Foodtech India Limited'. The corporate identification number of our Company is U15490WB2021PLC242881.

### Registered Office of our Company

#### Swasth Foodtech India Limited

Baro Chowmata Belari,  
Guskara, Purba Burdwan,  
Bardhaman – 713 141,  
West Bengal, India.

**Telephone:** +91 890 073 8769

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

**Facsimile:** N.A.

**Investor grievance id:** investors@swasthfoodtech.com

**Website:** www.swasthfoodtech.com

**CIN:** U15490WB2021PLC242881

### Corporate Office of our Company

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

### Registrar of Companies

Our Company is registered with the Registrar of Companies, West Bengal at Kolkata situated at the following address:

#### Registrar of Companies, West Bengal at Kolkata

Nizam Palace, 2<sup>nd</sup> MSO Building,  
2<sup>nd</sup> Floor, 234/4, A.J.C.B. Road,  
Kolkata- 700 020,  
West Bengal, India.

### Board of Directors of our Company

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

S. No.	Name	Designation	DIN	Address
1.	Dilip Chhajer	Managing Director	00668288	New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India
2.	Shrey Jain	Whole-time Director and Chief Financial Officer	09049568	New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.
3.	Lakshay Jain	Whole-time Director	09049569	New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.
4.	Vandana Chhajer	Non-Executive Director	02539865	New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.
5.	Silpi Agarwal	Independent Director	07213421	18/A, Sagar Dutta Ghat Road, Kamarhati (M), North 24, Parganas - 700 058, West Bengal, India.
6.	Chandan Gupta	Independent Director	08655931	545, G.T. Road, Howrah Store, Howrah Maidan, Bally Jagachha, Haora – 711 101, West Bengal, India.

For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 141 of the Draft Prospectus.

#### **Chief Financial Officer**

**Shrey Jain**, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

Baro Chowmata Belari,  
Guskara, Purba Burdwan,  
Bardhaman, Burdwan – 713 141,  
West Bengal, India.  
**Telephone:** +91 890 073 8769  
**Facsimile:** N.A.  
**E-mail:** cfo@swasthfoodtech.com

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

**Seema Agarwal**, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

Baro Chowmata Belari,  
Guskara, Purba Burdwan,  
Bardhaman, Burdwan – 713 141,  
West Bengal, India.  
**Telephone:** +91 890 073 8769  
**Facsimile:** N.A.  
**E-mail:** cs@swasthfoodtech.com

#### **Investor grievances**

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

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

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

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

##### **Lead Manager**

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

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

**SEBI Registration Number:** INM000012926

**Registrar to the Issue**

**MAS Services Limited**

T-34, 2nd Floor, Okhla Industrial Area,

Phase-II New Delhi- 110 020

**Telephone:** +91 112 638 7281/83, 114 132 0335

**Facsimile:** +91 112 638 7384

**E-mail:** ipo@masserv.com

**Website:** www.masserv.com

**Investor grievance:** investor@masserv.com

**Contact Person:** N. C. Pal

**SEBI Registration No.:** INR000000049

**Legal Advisor to the Issue**

**T&S Law**

Unit Number 15, Logix Technova,

Block B, Sector 132, Noida – 201 304,

Uttar Pradesh, India.

**Telephone:** +91 120 666 1348

**Email:** info@tandslaw.in

**Contact Person:** Sagarika Kapoor

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

**Baid Agarwal Singhi & Co.**

Chartered Accountant

Long Run Services LLP,

Turner Morrison Building, 6,

Lyons Range, Gate No. 2,

1<sup>st</sup> Floor, Kolkata - 700 001,

West Bengal, India.

**Telephone:** + 334 004 2041

**Email:** baid.agarwal.singhi@gmail.com

**Contact Person:** Ankit Singhi

**Membership No.:** 303179

**Firm Registration No.:** 328671E

**Peer Review Certificate:** 013980

**Bankers to our Company**

**Axis Bank Limited**

2<sup>nd</sup> Floor City Tower, 23 G T Road,

Burdwan, 713 101,

West Bengal, India

**Telephone:** + 91 881 101 4385

**Facsimile:** N.A.

**Email:** prasun.rath@axisbank.com

**Website:** www.axisbank.com

**Contact Person:** Prasun Rath

**CIN:** L65110GJ1993PLC020769

**Banker to the Issue**

The Banker(s) to the Issue shall be appointed prior to filing of the Prospectus.

**Refund Bank**

The Refund Bank(s) shall be appointed prior to filing of the Prospectus.

### **Sponsor Bank**

The Sponsor Bank(s) shall be appointed prior to filing of the Prospectus.

### **Designated Intermediaries**

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

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

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

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

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

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

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

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

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of BSE Limited at <https://www.bseindia.com/> as updated from time to time.

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

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

### **IPO Grading**

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

### **Credit Rating**

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

### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

### **Brokers to the Issue**

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

### **Debenture Trustees**

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

### **Monitoring Agency**

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

### **Appraising Entity**

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

### **Expert Opinion**

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

Our Company has received written consent dated July 18, 2024 from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as a Statutory Auditor and in respect of its (i) examination report dated July 18, 2024 on our Restated Financial Information; and (ii) its report dated July 18, 2024 on the statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

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

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

### **Filing**

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, the Draft Prospectus will be filed with the SME Platform of BSE Limited. Pursuant to SEBI Master Circular, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Prospectus, will also be filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

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

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

There has not been any change in the statutory auditors of our Company in the last three years preceding the date of this Draft Prospectus.

### **Issue Programme**

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

<b>Event</b>	<b>Indicative Date</b>
Issue Opening Date	[•]
Issue Closing Date	[•]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [•]

Event	Indicative Date
Initiation of Allotment / Refunds / Unblocking of Funds <sup>(1)</sup>	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 [●]

<sup>(1)</sup>In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable

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

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

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

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

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

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

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

For further details, see “Issue Structure” and “Issue Procedure” beginning on pages 252 and 255, respectively.

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

#### **WITHDRAWAL OF THE ISSUE**

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

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) Working Day from the day of receipt of such instruction.

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

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

#### **Underwriting Agreement**

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

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

Name, address, telephone number, Facsimile and e-mail addresses of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten	(₹ in lacs)
			% of the total Issue size Underwritten
[●]	[●]	[●]	[●]

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

#### **Details of Market Making Arrangement for the Issue**

Our Company has entered into a Market Making Agreement dated [●] with the following Market Maker for fulfilling the Market Making obligations under this Issue:

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

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

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the BSE Limited (SME platform of BSE) and SEBI from time to time.
3. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of BSE (in this case currently the minimum trading lot size is [•] equity shares; however, the same may be changed by the SME platform of BSE from time to time). Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the [•] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [•] Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, SME Platform of BSE Limited may intimate the same to SEBI after due verification.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
9. 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. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
10. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. 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.
12. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
13. In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.
14. **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE Limited will have all margins which are applicable on the BSE Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
15. **Punitive Action in case of default by Market Makers:** The Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed



by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

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

- a. 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.
- b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, 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.

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

S. No.	Market Price Slab (in Rs.)	Proposed Spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

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

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

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

The Market 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 / BSE Limited from time to time.

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

## CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A.	<b>Authorised Share Capital out of which :</b>		
	70,00,000 Equity Shares having face value of ₹ 10/- each	700.00	-
B.	<b>Issued, Subscribed and Paid-up Share Capital before the Issue out of which</b>		
	42,69,682 Equity Shares having face value of ₹ 10/- each	426.97	-
C.	<b>Present Issue in terms of this Draft Prospectus<sup>(1)</sup></b>		
	Issue of upto 17,00,000 Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share	[•]	[•]
D.	<b>Paid-up Share Capital after the Issue</b>		
	[•] Equity Shares of ₹ 10/- each		[•]
E.	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		[•]

<sup>(1)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated July 11, 2024 and pursuant to a special resolution of our Shareholders at an Extra-Ordinary General Meeting dated July 15, 2024 under Section 62(1)(c) of the Companies Act, 2013.

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

### Classes of Shares

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

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

The initial authorised capital of our Company was ₹ 15,00,000 (Rupees fifteen lakhs only) divided into 1,50,000 Equity Shares of ₹ 10/- each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
March 2, 2021	₹ 15,00,000 divided in to 1,50,000 Equity Shares of ₹ 10 each	₹ 3,00,00,000 divided in to 30,00,000 Equity Shares of ₹ 10 each	EGM
July 6, 2022	₹ 3,00,00,000 divided in to 30,00,000 Equity Shares of ₹ 10 each	₹ 4,00,00,000 divided in to 40,00,000 Equity Shares of ₹ 10 each	EGM
February 22, 2023	₹ 4,00,00,000 divided in to 40,00,000 Equity Shares of ₹ 10 each	₹ 5,00,00,000 divided in to 50,00,000 Equity Shares of ₹ 10 each	EGM
July 10, 2024	₹ 5,00,00,000 divided in to 50,00,000 Equity Shares of ₹ 10 each	₹ 7,00,00,000 divided in to 70,00,000 Equity Shares of ₹ 10 each	EGM

### NOTES TO THE CAPITAL STRUCTURE

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

##### Equity Share Capital

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

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
On Incorporation*	1,50,000	10	10	Cash	Subscription to Memorandum of Association <sup>(1)</sup>	1,50,000	1,50,000
March 30, 2021	8,25,000	10	10	Cash	Rights Issue to shareholders holding Equity Shares on March 1, 2021 <sup>(2)</sup>	9,75,000	97,50,000
June 25, 2021	5,92,016	10	10	Consideration other than Cash	Preferential Allotment of shares <sup>(3)</sup>	15,67,016	1,56,70,160
October 20, 2021	10,44,677	10	10	Cash	Rights Issue to shareholders holding Equity Shares on September 23, 2021 <sup>(4)</sup>	26,11,693	2,61,16,930
March 29, 2022	3,78,899	10	10	Cash	Rights Issue to shareholders holding Equity Shares on March 1, 2022 <sup>(5)</sup>	29,90,592	2,99,05,920
August 1, 2023	12,79,090	10	10	Cash	Rights Issue to shareholders holding Equity Shares on June 25, 2023 <sup>(6)</sup>	42,69,682	4,26,96,820

\*The MoA of our Company was signed on January 31, 2021, and our Company was incorporated on February 2, 2021.

- (2) Subscription of to the MOA for the total of Equity Shares by Dilip Chhajer (37,500); Vandana Chhajer (37,500); Shrey Jain (37,500); and Lakshay Jain (37,500).
- (3) Rights issue of 825,000 Equity Shares to Dilip Chhajer (2,00,000); Vandana Chhajer (75,000); Shrey Jain (50,000); and Lakshay Jain (5,00,000).
- (4) Preferential Allotment of 5,92,016 Equity Shares to Vandana Chhajer (2,22,024); Shrey Jain (1,14,700); and Lakshay Jain (2,55,292).
- (5) Rights issue of 10,44,677 Equity Shares to Vandana Chhajer (2,00,000); Shrey Jain (1,90,000); Lakshay Jain (10,000); Dilip Chhajer (1,50,000); Chhajer Dilip Chand (HUF) (80,000) and Chhajer Agro Products Private Limited (4,14,677).
- (6) Rights issue of 3,78,899 Equity Shares to Chhajer Agro Products Private Limited (1,65,323); Shrey Jain (17,800); Vandana Chhajer (1,45,776); and Dilip Chand Chhajer (HUF) (50,000).
- (7) Rights issue of 12,79,090 Equity Shares to Vandana Chhajer (3,60,976); Shrey Jain (2,17,551); Lakshay Jain (4,25,971); Dilip Chhajer (2,05,612); and Chhajer Dilip Chand (HUF) (68,980).

## 2) Preference Share capital history of our Company

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

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

We have not issued equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue except:

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Consideration
June 25, 2021	5,92,016	10	10	Consideration other than Cash	Preferential Allotment of shares <sup>(3)</sup>	Land at which manufacturing plant is situated

- 4) As of date of this Draft Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.

- 5) Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- 6) Except as disclosed in “*Notes to the Capital Structure - Share Capital History of our Company*”, we have not issued any Equity Shares at a price which may be lower than the Issue Price, during a period of one year preceding the date of this Draft Prospectus.
- 7) We confirm that our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Drat Prospectus

8) **Shareholding Pattern of our Company**

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

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares undeposited receipts (VI)	Total No. of shares held (VII) = (IV)+(V)++(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
(A)	Promoters and Promoter Group	7	42,69,682	-	-	42,69,682	100.00	42,69,682	-	100.00	-	-	-	-	-	-	42,69,681
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depositary receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>7</b>	<b>42,69,682</b>	<b>-</b>	<b>-</b>	<b>42,69,682</b>	<b>100.00</b>	<b>42,69,682</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,69,681</b>

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

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

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Lakshay Jain	12,28,763	28.78
2.	Vandana Chhajer	10,41,276	24.39
3.	Shrey Jain	6,27,551	14.70
4.	Dilip Chhajer	5,93,112	13.89
5.	Chhajer Agro Products Private Limited	5,79,999	13.58
6.	Dilip Chand Chhajer (HUF)	1,98,980	4.66
<b>Total</b>		<b>42,69,681</b>	<b>100.00</b>

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Lakshay Jain	12,28,763	28.78
2.	Vandana Chhajer	10,41,276	24.39
3.	Shrey Jain	6,27,551	14.70
4.	Dilip Chhajer	5,93,112	13.89
5.	Chhajer Agro Products Private Limited	5,79,999	13.58
6.	Dilip Chand Chhajer (HUF)	1,98,980	4.66
<b>Total</b>		<b>42,69,681</b>	<b>100.00</b>

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Lakshay Jain	8,02,792	26.84
2.	Vandana Chhajer	6,80,300	22.75
3.	Chhajer Agro Products Private Limited	5,80,000	19.39
4.	Shrey Jain	4,10,000	13.71
5.	Dilip Chhajer	3,87,500	12.96
6.	Dilip Chand Chhajer (HUF)	1,30,000	4.35
<b>Total</b>		<b>29,90,592</b>	<b>100.00</b>

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Lakshay Jain	8,02,792	26.84
2.	Vandana Chhajer	6,80,300	22.75
3.	Chhajer Agro Products Private Limited	5,80,000	19.39
4.	Shrey Jain	4,10,000	13.71
5.	Dilip Chhajer	3,87,500	12.96
6.	Dilip Chand Chhajer (HUF)	1,30,000	4.35
<b>Total</b>		<b>29,90,592</b>	<b>100.00</b>

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

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

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	Cumulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
<b><i>Dilip Chhajjer</i></b>										
Subscription shares	Subscriber to MOA	Cash	37,500	10	10	37,500	0.88%	[•]	-	-
March 30, 2021	Rights Issue	Cash	2,00,000	10	10	2,37,500	5.56%	[•]	-	-
October 20, 2021	Rights Issue	Cash	1,50,000	10	10	4,37,500	9.08%	[•]	-	-
August 1, 2023	Rights Issue	Cash	2,05,612	10	10	5,93,112	13.89%	[•]	-	-
<b>Total</b>			<b>5,93,112</b>							
<b><i>Shrey Jain</i></b>										
Subscription shares	Subscriber to MOA	Cash	37,500	10	10	37,500	0.88%	[•]	-	-
March 30, 2021	Rights Issue	Cash	50,000	10	10	87,500	2.05%	[•]	-	-
June 25, 2021	Preferential Allotment	Consideration other than cash	1,14,700	10	10	2,02,200	4.74%	[•]	-	-
October 20, 2021	Rights Issue	Cash	1,90,000	10	10	3,92,200	9.19%	[•]	-	-
March 29, 2022	Rights Issue	Cash	17,800	10	10	4,10,000	9.60%	[•]	-	-
August 1, 2023	Rights Issue	Cash	2,17,551	10	10	6,27,551	14.70%	[•]	-	-
<b>Total</b>			<b>6,27,551</b>							
<b><i>Vandana Chhajjer</i></b>										
Subscription shares	Subscriber to MOA	Cash	37,500	10	10	37,500	0.88%	[•]	-	-
March 30, 2021	Rights Issue	Cash	75,000	10	10	1,12,500	2.63%	[•]	-	-

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	Cumulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
June 25, 2021	Preferential Allotment	Consideration other than cash	2,22,024	10	10	3,34,524	7.83%	[•]	-	-
October 20, 2021	Rights Issue	Cash	2,00,000	10	10	4,80,300	12.52%	[•]	-	-
March 29, 2022	Rights Issue	Cash	1,45,776	10	10	8,41,276	15.93%	[•]	-	-
August 1, 2023	Rights Issue	Cash	3,60,976	10	10	10,41,276	24.39%	[•]	-	-
<b>Total</b>			<b>10,41,276</b>							
<b>Lakshay Jain</b>										
Subscription shares	Subscriber to MOA	Cash	37,500	10	10	37,500	0.88%	[•]	-	-
March 30, 2021	Rights Issue	Cash	5,00,000	10	10	5,37,500	12.59%	[•]	-	-
June 25, 2021	Preferential Allotment	Consideration other than cash	2,55,292	10	10	7,92,792	18.57%	[•]	-	-
October 20, 2021	Rights Issue	Cash	10,000	10	10	8,02,792	18.80%	[•]	-	-
August 1, 2023	Rights Issue	Cash	4,25,971	10	10	12,28,763	28.78%	[•]	-	-
<b>Total</b>			<b>12,28,763</b>							
<b>Chhajer Agro Products Private Limited</b>										
October 20, 2021	Rights Issue	Cash	4,14,677	10	10	4,14,677	9.71%	[•]	-	-
March 29, 2022	Rights Issue	Cash	1,65,323	10	10	5,80,000	13.58%	[•]	-	-
February 13, 2024	Transfer to Abhishek Dugar	Cash	(1)	10	10	5,79,999	13.58%	[•]	-	-
<b>Total</b>			<b>5,79,999</b>							
<b>Dilip Chand Chhajer (HUF)</b>										
October 20, 2021	Rights Issue	Cash	80,000	10	10	80,000	1.87%	[•]	-	-
March 29, 2022	Rights Issue	Cash	50,000	10	10	130,000	3.04%	[•]	-	-
August 1, 2023	Rights Issue	Cash	68,980	10	10	1,98,980	3.49%	[•]	-	-
<b>Total</b>			<b>1,98,980</b>							

- 12) As on the date of the Draft Prospectus, the Company has seven (7) members/shareholders.
- 13) The details of the Shareholding of the members of the Promoter Group and the Directors of our corporate promoter, Chhajer Agro Products Private Limited as on the date of this Draft Prospectus are set forth in the table below:

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



Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Lakshay Jain	12,28,763	28.78	12,28,763	[•]
2.	Vandana Chhajer	10,41,276	24.39	10,41,276	[•]
3.	Shrey Jain*	6,27,551	14.70	6,27,551	[•]
4.	Dilip Chhajer*	5,93,112	13.89	5,93,112	[•]
5.	Chhajer Agro Products Private Limited	5,79,999	13.58	5,79,999	[•]
6.	Dilip Chand Chhajer (HUF)	1,98,980	4.66	1,98,980	[•]
	<b>Total</b>	<b>42,69,681</b>	<b>100.00</b>	<b>42,69,681</b>	<b>[•]</b>
<b>Promoter Group</b>					
7.	Abhishek Dugar	1	Negligible	1	[•]
	<b>Total</b>	<b>1</b>	<b>Negligible</b>	<b>1</b>	<b>[•]</b>
	<b>Total</b>	<b>42,69,682</b>	<b>100.00</b>	<b>42,69,682</b>	<b>[•]</b>

\*Directors of Chhajer Agro Products Private Limited

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

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

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

Following are the details of Minimum Promoter's Contribution:

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post- Issue paid-up capital	Period of lock-in
<i>Dilip Chhajer</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>Shrey Jain</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>Vandana Chhajer</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>Lakshay Jain</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>Chhajer Agro Products Private Limited</i>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<i>Dilip Chand Chhajer (HUF)</i>							

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post- Issue paid-up capital	Period of lock-in
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>TOTAL</b>		[•]				[•]	[•]

\* Subject to finalisation of Basis of Allotment.

(1) For a period of three years from the date of allotment. Details to be inserted in the Prospectus.

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

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

For details on the build-up of the Equity Share capital held by our Promoters, see “*Details of the Build-up of our Promoter’s shareholding*” on page 70.

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

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

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

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

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

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

#### ***Other requirements in respect of ‘lock-in’***

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

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

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

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

- 17) Our Company, our Promoters, our Directors and the Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
- 18) The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
- 19) There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Prospectus.
- 20) No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
- 21) There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
- 22) Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Prospectus.
- 23) There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- 24) Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.

- 25) All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus.
- 26) As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
- 27) Our Promoters and the members of our Promoter Group will not participate in the Issue.
- 28) Following are the details of Equity Shares of our Company held by our Directors and our Key Management Personnel:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Lakshay Jain	12,28,763	28.78	12,28,763	[●]
2.	Vandana Chhajer	10,41,276	24.39	10,41,276	[●]
3.	Shrey Jain	6,27,551	14.70	6,27,551	[●]
4.	Dilip Chhajer	5,93,112	13.89	5,93,112	[●]
	<b>Total</b>	<b>34,90,702</b>	<b>81.76</b>	<b>34,90,702</b>	<b>[●]</b>

- 29) Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
- 30) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “**Issue Procedure**” beginning on page 255 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
- 31) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 32) An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 33) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
- 34) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 35) As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

- 36) We confirm that none of the investors of our Company is directly/indirectly related with Lead Manager and their associates.

## OBJECTS OF THE ISSUE

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

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

1. Setting up of a packing line at our existing manufacturing unit;
2. Funding of working capital requirements of our Company; and
3. General Corporate Purposes.

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

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

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

### Issue Proceeds

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

(₹ in lakhs)

Particulars	Estimated amount <sup>(1)</sup>
Gross Proceeds from the Issue	[●]
(Less) Issue related expenses	[●]
<b>Net Proceeds</b>	<b>[●]</b>

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### Requirement of Funds and Utilization of Net Proceeds

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

(₹ in lakhs)

Sr. No.	Particulars	Estimated amount
1.	Setting up of a packing line at our existing manufacturing unit	Up to 329.87
2.	Funding of working capital requirements of our Company	Upto 750.00
3.	General corporate purposes <sup>(1)(2)</sup>	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

<sup>(2)</sup>The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

### Schedule of implementation and Means of Finance

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

(₹ in lakhs)

Sr. No.	Particulars	Total estimated cost	Amount which will be financed from Net Proceeds <sup>(1)</sup>	Estimated Utilisation of Net Proceeds
				Financial Year 2024-25
1.	Setting up of a packing line at our existing manufacturing unit	329.87 <sup>(2)</sup>	329.87	329.87
2.	Funding of working capital requirements of our Company	750.00	750.00	750.00

Sr. No.	Particulars	Total estimated cost	Amount which will be financed from Net Proceeds <sup>(1)</sup>	Estimated Utilisation of Net Proceeds
				Financial Year 2024-25
3.	General corporate purposes <sup>(1)</sup>	[•]	[•]	[•]
<b>Total</b>		[•]	[•]	[•]

<sup>(1)</sup>To be finalised upon determination of Issue Price. The amount shall not exceed 25% of the gross proceeds of the Issue

<sup>(2)</sup>Total estimated cost of the Project has been certified by our Statutory Auditor pursuant to their letter dated July 20, 2024.

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

For further details see “*Risk Factor – Risk Factor 9 - There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution*” on page 27.

The fund requirements mentioned above for setting up of a packing line at our existing manufacturing unit are based on the internal management estimates of our Company and quotation received from third parties. The fund requirements mentioned above except for purchase of plant and equipment and civil works are based on the internal management estimates of our Company, and have not been verified by the Lead Manager or appraised by any bank or financial institution. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing. For further details see “*Risk Factors – Risk Factor 49 - Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval*” on page 41.

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. In view of above, we confirm that, with respect to the Objects, our Company is not

required to make firm arrangement of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations, through verifiable means towards 75% of the stated means of finance for the Project.

## Details of the Object

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

### 1. Setting up of a packing line at our existing manufacturing unit

We are in the business of processing of rice bran oil from crude oil and selling in bulk to oil manufacturers and packers. We also sale by-products derived during process of refining of oil includes fatty acid, lecithin, gums, spent earth and wax. Our company is operating from Burdwan District in the State of West Bengal. We operate a single location rice bran oil unit having licensed refining capacity of 123 Metric Tone Per Day (MTPD). In addition to rice bran oil, we also commercialise and sell our by-products and waste products, namely, fatty acid, lecithin, gums, spent earth and wax.

The manufacturing unit of our Company is situated at Baro Chowmata Belari, Guskara, Purba Burdwan, Bardhaman, Burdwan – 713 141, West Bengal, India.

Our Company proposes to further diversify its product portfolio by setting up a packing line at our existing manufacturing unit and enter new product categories by introducing additional healthy oils, such as, sunflower oil, mustard oil, soya oil and palm oil for both our institutional customers and prospective end use customers. These new products will be manufactured at our existing plant without any change in existing setup. We presently market and sell rice bran oil in bulk and lose form to oil manufacturers, refiners, re-packers and wholesalers. We intend to expand our customer base and product reach, by packaging our products in smaller quantities for sale to retailers and wholesalers. The packing unit will enable the Company to sale is existing as well as new products in small quantity of 500 grams, 1 litter, 15 litter and 15 Kgs. We intend to create a brand presence of our products, which indirectly are already well placed in market, on account of being rebranded and sold by our institutional customers. We intend to leverage the quality of our products for establishing a brand presence for our products in the domestic market. We believe that our step to create a brand presence would lay the path for our future plans to increase our products, and thereby would lead to increase in our production capacities through consistent growth and innovation.

Accordingly, our Company proposes to utilise an amount of ₹ 329.87 lakhs from the Net Proceeds of this Issue towards setting up a packing line at our existing manufacturing unit, and expanding our product portfolio.

The proposed manufacturing unit is being set up on the adjacent land to our existing manufacturing unit. Therefore, our proposed packing unit is proposed to be set up at Baro Chowmata Belari, Guskara, Purba Burdwan, Burdwan – 713 141, West Bengal, India. The said land is owned by our Company.

## Estimated Costs

The total cost for setting up of a separate manufacturing unit has been estimated by our management and is based on the quotations received from third party suppliers, which has been approved by our Board of Directors in their meeting dated July 20, 2024. A brief description of the estimated cost involved is provided below:

(₹ in lacs)

Particulars	Amount
Total estimated project cost (A)	329.87
(less) Expenses already incurred as of July 18, 2024 (B)	Not Applicable
Balance amount to be incurred (C) = (A-B)	329.87
Amount to be funded from Net Proceeds (D)	329.87
Funding required excluding the Net Proceeds (E) = (C- D)	Not Applicable
Funding through internal accruals (F) = (C- D)	Not Applicable
Stated means of finance excluding the Net Proceeds (G) = 75% of (C-D)	Not Applicable
Debt facility (H)	Not Applicable
Equity funding (I)	Not Applicable
Total amount tied up (J+K)	Not Applicable



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

Particulars	Amount* (₹ in lakhs)
Civil Works	85.73
Plant and Machinery for Packing unit	244.14
<b>Total</b>	<b>329.87</b>

\* Including GST

**a) Land**

The proposed packing unit is being set up on the adjacent land to our existing manufacturing unit, which is Baro Chowmata Belari, Guskara, Purba Burdwan, Bardhaman, Burdwan – 713 141, West Bengal, India. The said land is owned by our Company.

**b) Plant and Machinery**

Sr. No.	Particulars	Units to be purchased	Per Unit Price (₹ lacs)	Total Cost*₹ (₹ lacs)	Quotation reference	Validity of quotation
<b>1.</b>	<b>MIURA GRAVITY SUPER FILTER designed by Miura Engineering Co. Ltd., Japan for Dewaxing and Winterizing of Sun Flower / Rice Bran Oil</b>					
	<i>Manufactured by:</i> M/s. Creative Engineers And Consultants #2135, 1st floor, "D" Block, 8th Main 2nd Stage, Rajajinagar, Bangalore – 560 010 Karnataka, India.	01	63.72	63.72	C-MEC / QTN / 385 / 2024-25 dated July 10, 2024	90 days from the date of quotation.
	<i>Technical Specifications:</i>					
	a. Name of the Equipment : Super Filter b. Type of the Equipment : Plate and Frame c. Size of the Plate : 2050mm H x 1050mm W x 25mm T d. Total No. of Plates : 101 e. Filtration Area of Each Filter : 200 sq.mts f. Crude oil inlet nozzle dia. : 80mm g. Filtrate outlet nozzle dia. : 100mm h. Steam in let nozzle dia. : 50mm / 15mm i. Condensate outlet dia. : 50mm / 15mm j. Wax discharge outlet nozzle dia. : 65mm k. Overall dimension of the filter : 3200mm H x 2070mm W x 4220L l. Weight of the Filter : 11000 kg Approx. (Each) m. Volume of the Filter : 4.8 cu.mt Approx. (Each) n. Weight of the filter in service : 16000 kg Approx. (Each)					
	<b>Total cost</b>			<b>63.72</b>		
<b>2.</b>	<b>Filter press-1200-PSH-120 Plates-Without Cloth</b>					
	<i>Manufactured by:</i> M/s. Hydro Press Industries 3/170, A-4, Sivasakti Colony, Industrial Estate, Coimbatore 641021, Tanil Nadu	02	18.68	37.36	HPI/19900 /24-25 dated July 18, 2024	Three months from the date of quotation.
	<i>Technical Specifications:</i>					
	Plate Size : 1200 mm x 1200 mm Model : FP-1200-PSH No. of Plates : 120 No. of chambers : 119 Filtration Area(m2) : 271.32 Cake holding capacity(Liters) : 4260.2					

	Operating pressure : 7 Bar Max Plate closing : Electro Hydraulic Closing System Plate Shifting : Manual					
	<b>Total cost</b>				<b>37.36</b>	
<b>3.</b>	<b>100FEET FLEXIBLE GRAIN LIFTER MACHINE 6INCH</b>					
	Manufactured by: M/s. AGRO ONE Godawn No 02 Marble Mandi 43 Palda Simorl, Madhya Pradesh					ES/202-24/36063 90 days from the date of quotation.
	Technical Specifications:					dated July 19, 2024
	100FEET FLEXIBLE GRAIN LIFTER MACHINE 6INCH	01	2.53	2.53		
	CROMPTION 12.5HP MOTOR	01	0.40	0.40		
	<b>Total cost</b>				<b>2.94</b>	
<b>4.</b>	<b>GLC MACHINE- THERMO</b>					
	Manufactured by: M/s. Krishna Scientific Suppliers Baranilpur More, G.T Road, Sripally - Purba Burdwan. 713103 (Wb)					Valid till December 31, 2024
	Technical Specifications:					KSS/Q-273-24-25 dated July 18, 2024 and KSS/Q-270-24-25 dated July 16, 2024
	Trintimeter Model F- Lovibond	01	11.56	11.56		
	UV-VIS Spectrophotometer- Shi	01	8.20	8.20		
	<b>Total cost</b>				<b>19.76</b>	
<b>5.</b>	<b>Air Pollution Control system for flue gas emission from boiler outlet</b>					
	Manufactured by: M/s. Terra Green Technologies Millenium City 12th Floor, Sec-V, Salt Lake: 700 091					90 days from the date of the quotation
	Technical Specifications:					TG/23-24/APCD/178/Revised dated July 16, 2024
	BAG FILTER (252) (Off line) with Standard Fabric with All Accessories :HEAT EXCHANGER with All Accessories ID Fan with All Accessories DUCT with All Accessories	01	49.56	49.56		
	<b>Total cost</b>				<b>49.56</b>	
<b>5.</b>	<b>SS TANKS</b>					
	Manufactured by: M/s. Balaji Niryaat Pvt. Ltd Diamond Heritage, Unit No - 1403, 16, Strand Road, Kolkata - 700001, India					90 days from the date of the quotation
	Technical Specifications:					BNPL/24-25/PI-89 dated July 18, 2024
	SS TANKS - 30 MT	03	10.62	31.86		
	<b>Total cost</b>				<b>31.86</b>	
<b>6.</b>	<b>AFFS High Speed Servo Driven Mechanical</b>					
	Manufactured by: M/s. Arvind Fabricators Plot No. 144, Navodaya Industrial Estate, Cherlapally - 51					90 days from the date of the quotation
	Technical Specifications:					Dated July 19, 2024
	Single Head Machine to pack Oil in Pouches Model : <b>AF HS 2400 M</b> Range : 500 Gms/ML. To 1000 Gms. /ML. Filling System : Continuous filling by positive displacement Gear pump. Out Put : 30 to 35 pouches/Minute. in 5 Layer Film (Depends on film quality) 26 to 30 Pouches/Minute. in 3 Layer Film Sealing : Side Seal./ Impulse Type Accuracy : +- 2ml/gms. Film Width : 325 mm.	01	10.03	10.03		

	<b>Total cost</b>			<b>10.03</b>		
<b>7.</b>	<b>110 TR CHILLER (BLUE STAR MAKE)</b>					
	Supplied by: M/s. IKON ENGINEERS Vishakhapatnam – 530045, Andhra Pradesh				Dated July 19, 2024	90 days from the date of the quotation
	<b>Technical Specifications:</b> Chiller consisting of the below: <ul style="list-style-type: none"> <li>• Evaporator</li> <li>• Compressor with Motor</li> <li>• Expansion Value</li> <li>• Control Panel</li> <li>• Temperature sensors &amp; satellites</li> </ul> R 143a Refrigerant	01	28.91	28,91		
	<b>Total cost</b>			<b>28.91</b>		
	<b>Grand Total</b>			<b>244.14</b>		

### c) Civil Works

For setting up of the proposed manufacturing unit, our Company has planned a site development with requisite civil structure at an estimated cost ₹ 85.72 lakhs. Our Company has received quotations dated July 19, 2024 from M/s. Droit Steel Buildings Pvt Ltd and Sri Sri Santi Hori Construction, for Civil construction & Structural Engineers for site development and is yet to place order for the same, which amounts to ₹ 85.72 lakhs. The detailed bifurcation of cost is as follows:

(₹ in lakhs)

Sr. No.	Sections of the Plant	Price (₹ lacs)	Quotation reference	Quotation Validity
<b>A</b>	Supplied by: M/s. Droit Steel Buildings Pvt Ltd 3a Ram Mohan Mullick Garden Lane, 4th Floor Unit -4, Kolkata – 700 010 (India)		DROIT/SFIL /24-25/113 dated July 16, 2024	The quotation is valid for a period of 90 days
1.	Pre-fabricated steel structure (Steel column, rafter, Galvanized Purlin and other structural materials related to shed), 650 Sq,mtr	52.00		
2.	Colour coated Galvalume for roof Sheeting ( 0.50 mm) Coloured galvalume sheet for wall cladding, Ridges, Flashings, Gutters and Down Take Pipes (0.5 mm TCT) 558 Sqm.	2.68		
3.	Deck Sheet 0.80 mm, Yst – 350 MPA, 250 Sq.Mtr.	1.80		
4.	Polycarbonate Sheet For Sky Light (2.00 MM) with safety net. 22 Sqm.	0.32		
5.	Fixed Louver, 6 Nos.	1.08		
6.	Erection for item nos. 1 to 5	3.44		
	GST (@18%) on above figures	11.04		
<b>Total</b>		<b>72.36</b>		
<b>B</b>	Supplied by: M/s. Sri Sri Santi Hori Construction Vill – Orgram, Kanthaldanga, Anchal, Malda, PS Bharat, Dist., Burdwan - 713128		Dated July 19, 2024	The quotation is valid for a period of 90 days
1.	Construction of Building for Packaging Section Total Area (Approx) -3100 sq feet (30*70)/280 sqm Civil Construction - Pillars, plinth level sand filling and 3 mt. walls on four side	13.37		
<b>Total</b>		<b>13.37</b>		
<b>Grand Total</b>		<b>85.72</b>		

### d) Government and other Approvals

Our Company shall apply the following government and other approvals for setting up the new packing unit at our existing manufacturing plant:

S. No.	Particulars of licenses	Tentative Time Period of application
1.	License to work a factory under Section 6(1) of the Factories Act, 1948	No new approval required as existing manufacturing unit already applied for licence.
2.	Consent to Establish under section 25 /26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	No new approval required as existing manufacturing unit holds consent to establish.
3.	Consent to operate under Section 25 / 26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	No new approval required as existing manufacturing unit holds consent to establish.
4.	Certificate of verification of weights and measures issued under the Legal Metrology Act, 2009	No new approval required as existing manufacturing unit holds licence.
5.	Building Plan Approval	After complete plan is ready

**e) Proposed Schedule of Implementation**

The proposed schedule of implementation is as follows:

Particular	Estimated month of	
	Commencement	Completion
Civil Works	November 2024	December 2024
Order of plant, machinery and equipment	November 2024	December 2024
Delivery of machineries	December 2024	January 2025
Installation and erection of machineries	December 2024	January 2025
Trial run	January 2025	
Commercial production	February 2025	

**2. Funding the working capital requirements of our Company**

With the expansion of the business, our company will be in the need of additional working capital requirements. We fund a majority of our working capital requirements in the ordinary course of business from banks facilities and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements and releasing the internal accruals deployed in working capital. The funding of the incremental working capital requirements will lead to a consequent increase in our profitability, ability to utilize internal accruals for growth opportunities and achieving the proposed targets as per our business plan.

Our Company proposes to utilize ₹ 750 Lakhs of the Net Proceeds towards our Company’s working capital requirements. The company shall utilize ₹ 750 Lakhs in Fiscal 2025 towards our Company’s working capital requirements.

***Basis of estimation of working capital requirement***

The details of our existing Company’s working capital as at June 30, 2024, March 31, 2022, March 31, 2023 and March 31, 2024 and the source of funding, derived from the financial statements of our Company, as certified by our Statutory Auditor through their certificate dated July 20, 2024, are provided in the table below. On the basis of the existing and estimated working capital requirement of our Company, and assumptions for such working capital requirements, our Board pursuant to its resolution dated July 20, 2024, has approved the estimated working capital requirements for Fiscals 2025 and 2026 as set forth below:

(₹ in Lakhs)

S. No.	Particulars	As at March 31, 2022	As at March 31, 2023	As at March 31, 2024	As at June 30, 2024	As at March 31, 2025	As at March 31, 2026
		(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Estimated)	(Projected)
(A)	<b>Current assets</b>						
(a)	Inventories	0.00	1,480.27	1,765.32	2,073.56	1,668.91	1,932.59
(b)	Trade receivables	0.00	91.43	84.98	224.73	379.34	515.21
(c)	Other Current Assets	179.22	186.75	132.61	134.87	167.26	239.14
	<b>Total current assets (A)</b>	<b>179.22</b>	<b>1,758.45</b>	<b>1,982.91</b>	<b>2,433.16</b>	<b>2,215.51</b>	<b>2,686.94</b>
(B)	<b>Current liabilities</b>						
(a)	Trade payables	13.33	239.14	149.81	948.04	400.54	364.37
(b)	Provisions, other current liabilities and current tax liabilities (net)	159.76	116.32	41.06	40.20	119.51	144.28
	<b>Total current liabilities (B)</b>	<b>173.09</b>	<b>355.46</b>	<b>190.87</b>	<b>988.24</b>	<b>520.05</b>	<b>508.65</b>
(C)	<b>Total working capital requirements (C = A – B)</b>	<b>6.13</b>	<b>1,402.99</b>	<b>1,792.04</b>	<b>1,444.93</b>	<b>1,695.46</b>	<b>2,178.29</b>
(D)	<b>Funding pattern</b>						
(a)	IPO proceeds	-	-	-	-	750.00	-
(b)	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting) and/or internal accruals	<b>6.13</b>	<b>1,402.99</b>	<b>1,792.04</b>	<b>1,444.93</b>	<b>945.46</b>	<b>2,178.29</b>
	<b>Total</b>	<b>6.13</b>	<b>1,402.99</b>	<b>1,792.04</b>	<b>1,444.93</b>	<b>1,695.46</b>	<b>2,178.29</b>

Note: Pursuant to the certificate dated July 20, 2024 issued by the Statutory Auditor. Our Company shall also fund the incremental working capital requirements by availing loan facilities.

#### Assumptions for our estimated working capital requirements

Particulars	As at March 31, 2022	As at March 31, 2023	As at March 31, 2024	As at June 30, 2024	As at March 31, 2025	As at March 31, 2026
	(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Estimated)	(Projected)
	<i>Holding Level for year/period ended</i>					

Trade Receivables	-*	3	2	5	9	10
Inventories	-*	54	48	47	38	36
Trade Payables	-*	8	4	21	10	7

\* No operations in the company during FY2022, except trading sale.

### **Key assumptions for working capital requirements**

Our Company's estimated working capital requirements on a standalone basis are based on the following key assumptions:

S. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Trade Receivables	Our Company's general credit terms vary across type of business and customer. We had Debtors Holding days of 3 days, 2 days and 5 days in FY2023, FY2024 and quarter ended June 30, 2024, respectively. We expect Debtors Holding days to be around 9 days for FY2025 and 10 days for FY 2026. As we are planning to inter into small packet segment with the setting up of our new packing unit, we may be required to offer higher credit period to the wholesalers and distributors. Thus, we expect our debtor holding period to increase from 5 days during stub period to 9 days in FY2025 and 10 days FY2026.
2	Inventories	Our Company's general inventory holding period of 54 days, 48 days and 47 days in FY2023, FY2024 and quarter ended June 30, 2024, respectively. We expect Inventory Holding days to be around 38 days for FY2025 and 36 days for FY 2026. As we are planning to inter into small packet segment with the setting up of our new packing unit, we can have a lower inventory holding period. Thus, we expect our inventory holding period to further decrease to 38 days in FY2025 and 36 days FY2026.
<b>Current Liabilities</b>		
1	Trade Payables	We had creditors payment cycle of 8 days, 4 days and 21 days in FY2023, FY2024 and period ended June 30, 2024. We expect our creditors payments days be around 10 days for FY2025 and 7 days in FY2026. The company is trying to lower creditors by paying earlier, leading to more discounts and hence better profitability.

### **Reason for substantial increase of working capital requirement are mentioned below:-**

We are in the business of processing of rice bran oil from crude oil, for sale to oil manufacturers and packers. We manufacture various rice bran oil under various grades and colours, based on the requirement of our customers. We believe that rice bran oil is healthier than the other options available in the market, on account of it having an ideal balance of polyunsaturated fats and monounsaturated fats, in almost a 1:1 ratio. Since rice bran oil is made from bran, it is rich in Vitamin E, an antioxidant. We have crafted our business model in such a manner that we market and sell, our finished products, being rice bran oil, as well as the residue and waste material collected while processing our products. Therefore, we also market and sell, fatty acid, gums, spent earth and wax to other oil manufacturers or in the open market. Processing of rice bran oil mainly involves refining the extracted crude rice bran oil. Our Company have capacity of 125 MT per day as on the date of this Draft Prospectus. We own and operate one manufacturing facility in Burdwan, in the State of West Bengal, which is strategically located in India.

At present, we process rice bran oil for third parties and sell our products in bulk form to third party brands and oil manufacturers. We intend to utilise a portion of the Net Proceeds towards setting up of a packaging unit at our existing manufacturing unit, to package, brand and sell our products under our own brands in smaller quantities to small retailers, warehousing agents, directly for sale to end use customers. We believe that setting up a packaging unit will provide us the ability of (i) building our own brand and (ii) scaling our operations by adding additional products as part of our product portfolio, thus contributing immensely towards our business operations and market position.

During the fiscal year 2024, the total working capital requirement was ₹ 1,792.04 Lakhs. However, this is estimated to increase to ₹ 1,695.46 Lakhs during FY2025 and ₹ 2,178.29 Lakhs during FY2026. The reasons for increase in future working capital requirements of our company are as under:

- Our Company's business is a working capital intensive and to address the current issue of limited working capital and achieve exponential growth, the company plans to infuse funds into working capital from the Issue Proceeds. Additionally, the company aims to expand our product portfolio by entering into small packet segment of 500 gm, 1 liter and 1 kg. These strategic initiatives are expected to drive future growth.
- We offer our clients the flexibility to choose from various payment intervals, based on the sourcing of its raw materials. This practice aligns with industry standards, ensuring convenience and adaptability for our valued customers. This flexibility can cater to the varying financial capabilities and preferences of our customers, making our products more accessible and appealing to a wider range of customers.
- The Company is planning to enter into new product line and expand our business. This strategic decision is not just about reaching new customers, it's about solidifying our position in the industry and fostering sustainable growth and create a brand. By venturing into new segment, we aim to unlock fresh opportunities, broaden our customer base, and diversify our revenue streams.

Further, below mentioned future business strategies as mentioned in the chapter “*Our Business*” on page 112 of the Draft Prospectus would also lead to increase in working capital requirements:

***Setting up of a packing line at our existing manufacturing unit to focus on packing and selling our products in small quantities***

We are in the business of processing of rice bran oil from crude oil and selling in bulk to oil manufacturers and packers. While, we leverage on our ongoing relationship with reputed brands and oil manufacturers, however we also intend to expand our customer base and product reach, by packaging our products in smaller quantities for sale to retailers and wholesalers. We also intend to create a brand presence of our products, which indirectly are already well placed in market, on account of being rebranded and sold by our customers. We intend to leverage the quality of our products for establishing a brand presence for our products in the domestic market. Additionally, we intend to increase our product portfolio by introducing additional healthy oils, such as sunflower oil, mustard oil, soya oil and palm oil. We believe that our step to create a brand presence would lay the path for our future plans to increase our products, and thereby would lead to increase in our production capacities through consistent growth and innovation. We intend to utilise an amount of ₹ 329.87 lakhs towards setting up of a packaging line at our existing manufacturing unit in Burdwan. We believe that our quality of products and efficient production process positions us well in the Indian market to capitalize on the demand for healthier cooking oils.

***Addition of ‘sunflower oil, mustard oil, soya oil and palm oil’ as an additional products***

We intend to enter new product categories viz. sunflower oil, mustard oil, soya oil and palm oil for both our customers and prospective end use customers. In accordance with this, while we seek to continue to strengthen our existing product portfolio, we intend to further diversify into products with prospects for increased growth and profitability. We plan to continue to increase offerings in our current business segments as well as diversify into new products by tapping into segments which in the view of our management have attractive growth prospects. Further, we believe that with the strategic initiative of setting up a packaging line in our existing manufacturing unit, our customer base would be diversified, as a consequence of the same, there will be a continuous demand to evolve our existing products and expand our product portfolio to meet these requirements. We believe that our emphasis on quality of manufacture and timely delivery of our offerings have been a key factor in our ability to attract new customers and to retain our existing customers. We intend to draw on our experience, market position and ability to timely deliver quality products to successfully foray into other sectors as well as to other geographies.

***Diversifying and increasing penetration in markets***

Our Company is proposing to expand its business operations globally by exporting our by-products to countries/continents such as Japan, Europe and America. Our by-products find various applications in manufacture of medicinal products and laminated bags. Our Company believes that the global markets offer various opportunities in term of sub-geographic penetration and product/ market diversification which we intend to seize and increase our market share by exploring untapped markets and segments to enhance our geographical reach.

### ***Strengthen our marketing network***

We intend to increase our distribution network by branding our products and selling the same to retailers and wholesalers, which would require a widespread sales and marketing network. Our ability to enhance our business operations shall be dependent upon us increasing our customer base through our marketing efforts. Our core competency lies in the thorough understanding of our customers' needs and preferences, our vision to engage in sustainable practices and providing unparalleled quality of our products thereby achieving customer loyalty. We intend to strengthen our existing marketing team by inducting qualified and experienced personnel, who will supplement our existing marketing strategies in the domestic and international markets.

We would aim our business strategies to be dynamic and proactive, given the macro and micro market environments in which we operate or where we may expand in the future. Our Company shall always strive to:

- achieve maximum operational efficiency;
- strengthen and expand our market position and product portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our network of distributors, customers and geographical reach.

### **3. General Corporate Purposes**

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

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

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

### **Issue Related Expenses**

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



Expenses	Estimated expenses <sup>(1)</sup> (in ₹ lacs)	As a % of the total estimated Issue expenses <sup>(1)</sup>	As a % of the total Gross Issue Proceeds <sup>(1)</sup>
Issue management fees including fees and reimbursements of Market Making fees and payment to other Intermediaries such as Legal Advisors to the IPO, Registrars and other out of pocket expenses.	[●]	[●]	[●]
Marketing and Selling Commission and expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others			
- Listing fees	[●]	[●]	[●]
- SEBI and BSE processing fees	[●]	[●]	[●]
- Other regulatory expenses	[●]	[●]	[●]
- Miscellaneous	[●]	[●]	[●]
<b>Total estimated Issue expenses</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.

Notes:

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

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

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

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

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

## Deployment of Funds and Sources of Funds

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

## Interim Use of Funds

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

**Bridge Loan**

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

**Monitoring of Utilisation of Funds**

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

**Variation in Objects of the Issue**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue unless our Company is authorised to do so by way of a special resolution of its Shareholders through a postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, one in Hindi and one in Bengali, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal to vary the objects, at a price and in such manner as may be prescribed by SEBI in Regulation 290 and Schedule XX of the SEBI ICDR Regulations.

**Appraising Entity**

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

**Other Confirmations**

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

## BASIS FOR ISSUE PRICE

Investors should also refer to “Our Business”, “Risk Factors”, “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Other Financial Information” on pages 112, 21, 166, 209 and 221, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

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

- Modern and strategically located manufacturing facilities
- Easy availability of crude oil around our manufacturing facility
- Arrangements with institutional oil manufacturers for supply of rice bran oil
- Quality Assurance and Quality Control of our products
- Well experienced management team with proven project management and implementation skills

For further details, see “Our Business –Strengths” on page on page 118.

### Quantitative Factors

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see “Restated Financial Statements” on page 166.

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

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

Fiscal Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2024	5.03	5.03	3
March 31, 2023	0.09	0.09	2
March 31, 2022	0.04	0.04	1
<b>Weighted Average</b>			<b>2.55</b>
Three months period ended June 30, 2024*			<b>2.07</b>

\*Not Annualised

#### Notes:

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

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

Particulars	P/E at the Issue Price (number of times)*
Based on basic EPS for Fiscal 2024	[●]
Based on diluted EPS for Fiscal 2024	[●]

\*Will be included in the Prospectus

### Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	53.20
Lowest	20.50
Average	<b>36.85</b>

**Notes:**

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

### III. Return on Networth (“RoNW”)

Fiscal Year ended	RoNW (%)	Weight
March 31, 2024	30.97	3
March 31, 2023	0.89	2
March 31, 2022	0.38	1
<b>Weighted Average</b>	<b>15.84%</b>	
Three months ended June 30, 2024*	<b>12.39%</b>	

\*Not Annualised

**Notes:**

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

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

Particulars	NAV per equity share (₹)
As on June 30, 2024	16.68
As on March 31, 2024	14.62
<b>After the Completion of the Issue:</b>	
- At Issue Price <sup>(2)</sup>	[●]

**Notes:**

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

### COMPARISON OF ACCOUNTING RATIOS WITH LISTED INDUSTRY PEERS

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates i.e. edible oil, whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Name of the company	Consolidated/ Standalone	Face value (₹ per share)^	Closing price on July 19, 2024 (₹ per share)	Revenue from Operations (₹ in Lakhs)	EPS (₹)		NAV (₹ per share)	P/E Ratio	RoNW (%)	PAT margin (%)	Market cap to Revenue from operation
					Basic	Diluted					
Swasth Foodtech India Limited*	Standalone	10.00	NA	13,324.98	5.03	5.03	14.62	NA	30.97	1.44%	[●]#
<b>PEER GROUP</b>											
Halder Ventres Limited	Consolidated	10.00	756.00	64,365.68	36.92	36.92	186.67	20.5	19.66%	1.81%	0.37
Sarveshwar Foods	Consolidated	1.00	9.12	86,959.29	0.17	0.17	2.58	53.20	6.64%	1.93%	1.03

\*Financial information for our Company is derived from the Restated Financial Statements as at and for the Fiscal 2024.

#Will be updated in the Prospectus.

Source: All the financial information for unlisted industry peer mentioned above is sourced from the annual report of the relevant companies for Fiscal 2024, as available on the websites of the MCA.

**Notes for peer group:**

1. P/E Ratio is computed as the peer company based on the closing price on BSE limited.
2. Return on Net Worth (%) = Profit for the year ended March 31, 2024 divided by Total Equity of the Company as on March 31, 2024.
3. NAV is computed as the Total Equity of the Company as on March 31, 2024 divided by the outstanding number of equity shares as on March 31, 2024.
4. Market capitalisation to revenue from operations cannot be computed as the peer company is an unlisted company.

The trading price of the Equity Shares could decline due to the factors mentioned in the section “Risk Factors” on page 21 and any other factors that may arise in the future and you may lose all or part of your investments.

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

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 20, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Draft Prospectus. Further, the KPIs herein have been certified by M/s. Baid Agarwal Singhi and Co., Chartered Accountants, by their certificate dated July 20, 2024.

The KPIs of our Company have been disclosed in the sections “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” starting on pages 112 and 209, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 1.

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

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

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

*(₹ in lakhs except percentages and ratios)*

Key Performance Indicators	Three months period ended June 30, 2024 <sup>#</sup>	March 31, 2024 <sup>#</sup>	March 31, 2023 <sup>#</sup>	March 31, 2022 <sup>#</sup>
Revenue from Operations	4,035.22	13,324.98	9,989.64	122.10
EBITDA <sup>(1)</sup>	170.37	472.19	189.93	2.42
EBITDA Margin <sup>(2)(3)</sup>	4.22%	3.54%	1.90%	1.98%
Profit After Tax	88.24	193.24	2.69	1.14
PAT Margin <sup>(4)</sup>	2.18%	1.44%	0.03%	0.93%
ROE <sup>(5)*</sup>	12.39%	30.97%	0.89%	0.38%
ROCE <sup>(6)*</sup>	5.73%	13.48%	5.11%	0.22%
Net Debt/ EBITDA <sup>(7)</sup>	10.95	4.87	11.96	324.62

\*Not annualised for the three months period ended June 30, 2024

<sup>#</sup>As certified by the Statutory Auditor vide their certificate dated July 20, 2024.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated July 20, 2024.

#### Explanation for the Key Performance Indicators

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

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

#### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.

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

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

(₹ in lakhs) (As on March 31, 2024)

Key Performance Indicators	Halder Ventures Limited	Sarveshwar Foods
Revenue from Operations	64,365.68	86,959.29
EBITDA <sup>(1)</sup>	4104.72	6306.16
EBITDA Margin <sup>(3)</sup>	6.38%	7.25%
Profit After Tax for the Year	1,166.71	1,677.99
PAT Margin <sup>(4)</sup>	1.81%	1.93%
ROE <sup>(5)</sup>	19.66%	6.64%
ROCE <sup>(2)(6)</sup>	12.14%	11.25
Net Debt/ EBITDA <sup>(1)(7)</sup>	5.60	4.71

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

# As certified by the Statutory Auditor vide their certificate dated July 20, 2024.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated July 20, 2024.

#### Explanation for the Key Performance Indicators

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

#### OPERATIONAL KPIs OF THE COMPANY:

Particulars	For the Year ended on March 31		
	2024	2023	2022
<b>Contribution to revenue from operations of top 5 / 10 customers</b>			
Top 5 Customers (%)	41.03%	41.87%	100%
Top 10 Customers (%)	54.29%	55.02%	100%

#### Explanation for KPI metrics

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

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

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

#### WEIGHTED AVERAGE COST OF ACQUISITION:

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

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

Date of allotment	No of equity shares allotted	Face value	Issue price	Nature of allotment	Nature of consideration	Total consideration (Rs. in lakhs)
August 1, 2023	12,79,090	10	10	Right Issue	Cash	127.91

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

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

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

Type of transaction	Weighted average cost of acquisition (₹ per equity shares)
Weighted average cost of primary/new issue acquisition	10.00*



Weighted average cost of secondary acquisition	Nil**
--	-------

\*Calculated for last 18 months

\*\*Calculated for Transfer of Equity Shares for the last 18 months.

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

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Shares)	Offer Price (i.e. ₹ [●])
Weighted average cost of acquisition of primary / new issue as per paragraph (a) above.	10.00	[●]
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph (b) above.	Nil	N.A.

\* To be updated in the Prospectus.

^^There were no secondary transactions as mentioned in paragraph (b) above, in last 18 months from the date of this Prospectus.

**Explanation for Issue Price being [●] times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) along with our Company's key performance indicators and financial ratios for the period March 2024, 2023 and 2022.**

[●]\*

**Explanation for Issue Price being [●] times price of face value.**

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the LM, on the basis of market demand from investors for Equity Shares through the fixed price process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on pages 21, 112, 209 and 166 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” on page 21 and you may lose all or part of your investment.

## STATEMENT OF TAX BENEFITS

### Statement of possible special tax benefits available to the Company and its Shareholders Independent Auditor's Report on Statement of Special Tax Benefits

To

**The Board of Directors**

**Swasth Foodtech India Limited**

Baro Chowmata Belari, Guskara, Purba Burdwan,

Bardhaman- 713 141,

West Bengal, India

Dear Sir,

**Sub: Proposed initial public offering of equity shares of face value Rs. 10 each ("Equity Shares") by Swasth Foodtech India Limited ("Company") (referred to as the "Issue").**

We report that the enclosed statement in **Annexure A**, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 ('Act'), as amended from time to time and other direct tax laws 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 statute. Hence, the Swasth Foodtech India Limited of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. We are neither suggesting nor advising the investor to invest money based on this statement.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Draft Prospectus and the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange/ SEBI/ any regulatory authority and/or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Draft Prospectus.

Yours sincerely,

**For Baid Agarwal Singhi & Co.**

Chartered Accountants

ICAI Firm Registration No.: 0328671E

**Partner: CA Sourabh Agarwal**

Membership No: 301075  
UDIN: 24301075BKKBGCG2633  
Kolkata, July 18, 2024

#### **Annexure-A**

### **ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

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

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

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

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

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

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

Note:

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

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

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

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## **SECTION IV – ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

## **SECTION V – ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

#### **GLOBAL ECONOMY**

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

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

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

Investment, on the other hand, has uniformly fallen short of pre-pandemic trends across regions. Businesses have shown less enthusiasm for expansion and risk taking amid rising interest rates, withdrawal of fiscal support, dimmer prospects for product demand, stricter lending conditions, and growing uncertainties regarding geoeconomic fragmentation. Higher leverage has further dampened investment which remains 3 percent to 10 percent lower across

regions than had been projected before the pandemic. Moreover, the pandemic, war in Ukraine, and worsening climate shocks have contributed to a reversal in decades-long poverty reduction trends. According to World Bank staff estimates, 75 million to 95 million more people were living in extreme poverty in 2022 compared with pre-pandemic estimates. Spikes in food prices and related insecurities following Russia's invasion of Ukraine, as well as bouts of extreme weather, have accentuated these difficulties. The global average temperature in July 2023 was the highest on record for any month, amid reports of catastrophic flooding, heat waves, and wildfires in many regions. Overall, the global prevalence of undernourishment is significantly higher than before the pandemic.

*Source: Global recovery remains slow, with growing regional divergences and little margin for policy error*

## **OVERVIEW OF THE INDIAN ECONOMY**

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

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

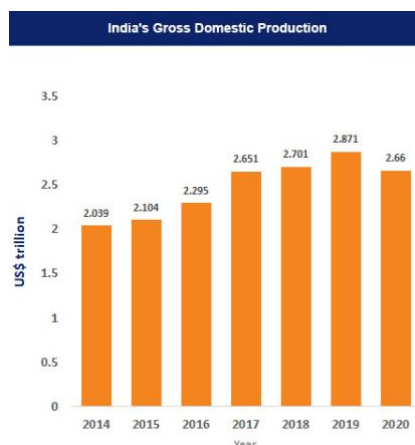
India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at

US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.



## RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.

- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.

- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

## GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.

- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent



opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.

- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse

infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.

- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025

### **Road Ahead**

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

### **Edible Oil Industry**

#### **Introduction**

Edible oils and Fats are essential ingredients for a wholesome and balanced diet and they are vital items of mass consumption. The Department of Food and Public Distribution deals with issues related to the Vegetable Oil Processing Industries, Price Control, Inter State trade & commerce and also supply & distribution of vanaspati, oilseeds, vegetable oil, cakes and fats. The Directorate of Sugar and Vegetable oils is staffed with qualified technical people who assist the Ministry in the coordinated management of Vegetable Oils Policy, particularly relating to production/availability and monitoring of prices.

#### **Main types of Edible Oils**

There are two sources of oils viz. primary source and secondary source. The primary sources of oil are nine principal oilseeds viz. groundnut, rapeseed/mustard, soyabean, sunflower, sesame, niger, safflower, castor and linseeds. Edible oils obtained through secondary sources include coconut, cottonseed, palm, rice bran and oilseed cakes. As per the 4th Advance Estimates of Ministry of Agriculture released on 17.08.2022 for 2021-22, estimated Oilseeds production is about 376.97 lakh mt and estimated production of oils from these oilseeds in 2021-22 comes to about 89.66 lakh MT. The total availability of edible oils from primary as well as secondary sources is estimated at 115.71 lakh MT. Figures pertaining to domestic production of edible oils during 2021-22 (November to October) is estimated as follows:

Domestic Production of Edible Oils (2021-22) November to October (in lakh MT)

Mustard	36.44	Linseed	0.34
Soyabean	20.82	Coconut	5.56
Groundnut	22.92	Cottonseed	10.81
Sunflower	0.84	Rice bran	10.90
Sesame	2.38	Solvent extracted oils	3.50
Niger Seed	0.10	Tree & forest origin	1.50
Castor	5.66	Palm Oil	3.58

[Source: <https://dfpd.gov.in>]

### Consumption pattern of Edible Oils in India

India is a vast country and inhabitants of several of its regions have developed specific preference for certain oils largely depending upon the oils available in the region. For example, people in the South and West prefer groundnut oil while those in the East and North use mustard/rapeseed oil. Likewise several pockets in the South have a preference for coconut and sesame oil. Inhabitants of northern plain are basically consumers of fats and therefore prefer Vanaspati, a term used to denote a partially hydrogenated edible oil mixture of oils like soyabean, sunflower, ricebran and cottonseed oils. Many new oils from oilseeds of tree and forest origin have found their way to the edible pool largely through vanaspati route. Of late, things have changed. Through modern technological means such as physical refining, bleaching and de-odorization, all oils have been rendered practically colorless, odorless and tasteless and therefore, have become easily interchangeable in the kitchen. Oils such as soyabean oil, cottonseed oil, sunflower oil, rice bran oil, palm oil and its liquid fraction- palmolein which were earlier not known have now entered the kitchen. The share of raw oil, refined oil and vanaspati in the total edible oil market is estimated roughly at 35%, 60% and 5% respectively. Per capita consumption of edible oils in the country as compared to world per capita consumption of edible oils since last five years has been as under:

	<i>(Kg per annum)</i>				
YEAR	2017-18	2018-19	2019-20	2020-21	2021-22
INDIA	19.5	21.6	19.8	19.7	21.0
WORLD	29.3	30.5	27.0	30	30

Source: Oil World Annual Report

### Demand and Supply of Edible Oils

The production of domestic oilseeds has been steady since 2010-11. As oilseeds are cultivated on marginal land and largely dependent on rainfall, their production has been stagnant for the last couple of years. Favorable climatic conditions all over the country during the past year have led to an increase in the production of oilseeds and thereby edible oils. However, domestic demand for edible oils has been increasing at a pace faster than that of production due to growth in population and improvement in the standards of living of people, hence domestic production is insufficient to meet the demand. The short fall which is around 55% is met through imports.

As per the 4th Advance Estimates released by the Department of Agriculture, Cooperation and Farmers Welfare the estimated production of oilseeds for 2021-22 is 376.97 LMT as against 359.45 LMT in 2020-21. The total availability of edible oils from all sources (primary and secondary) for 2021-22 is estimated at 115.71 LMT as against 111.51 lakh tons in 2020-21. The gap between demand and supply is about 55% and is met through imports. Out of the total quantity of oils imported, Palm oils (Crude + Refined) constitute around 57% and are imported mainly from Indonesia and Malaysia, while Soyabean oil constitutes around 29% and is imported from Argentina and Brazil. Sunflower oil constitutes around 14% and is imported mainly from Ukraine. The domestic production and import of edible oils during the last five years is as follows:

*(In lakh MT)*

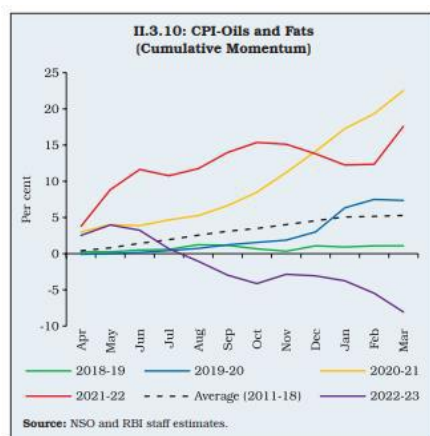
YEAR (NOV-OCT)	DOMESTIC AVAILABILITY OF EDIBLE OILS #	IMPORTS OF EDIBLE OILS*	TOTAL AVAILABILITY/ CONSUMPTION	% SELF SUFFICIENCY	% SHARE OF IMPORTS
2017-18	103.80	145.92	249.72	41.6	58.4
2018-19	103.52	155.70	259.22	40	60
2019-20	106.55	134.16	240.71	44.3	55.7
2020-21	111.51	134.52	246.03	45.35	54.67
2021-22	115.71	141.93	257.64	44.90	55.10

\*Directorate General of Commercial Intelligence & Statistics (Ministry of Commerce)

#Based on the Advance Estimates declared by DACFW

### Price Trend

Price pressures in oils and fats (weight of 7.8 per cent in CPI-Food and beverages) eased gradually since June 2022 as global prices of edible oils, particularly palm oil, declined sharply (Refer below the chart on the left). Edible oil prices increased sharply during March-May 2022 on account of a rise in global prices as the Ukraine conflict and imposition of export ban on crude palm oil by Indonesia in April 2022 severely impacted the supply of edible oils in the global market. Moreover, depreciation of the Indian Rupee on the back of high dependence on imports of edible oils also added to the rising domestic prices. The price momentum eased gradually with the softening of global prices, lifting of export ban and removal of export levy till October 31, 2022 by Indonesia. The government also undertook several supply-side measures which included extending zero per cent basic customs duty (BCD) on crude palm oil, sunflower and soybean oil till March 2024, reduction in BCD on refined soybean, and sunflower and palm oil to 17.5 per cent and 12.5 per cent (from 32.5 per cent and 17.5 per cent), respectively, and reduction of import duty on refined palm oil to zero till March 2024. In addition to these, the government also imposed stock limits on edible oils and oilseeds till December 31, 2022 and exempted BCD and agricultural infrastructural development cess (AIDC) on allocated Tariff Rate Quota (TRQ) for import of 20 lakh metric tonne of crude soybean oil and sunflower oil for 2022- 23. These measures together led to a steady decline in the prices of edible oils.



[Source: [https:// rbi.org.in](https://rbi.org.in)]

## Import and Export Policy of Edible Oils in India

The country has to rely on imports to meet the gap between demand and supply. Import of edible oil is under Open General License. In order to harmonize the interests of farmers, processors and consumers and at the same time, regulate large import of edible oils to the extent possible, import duty structure on edible oils is reviewed from time to time. W.E. F. 14.06.2018, the import duty on all crude and refined edible oils was raised to 35% and 45% respectively while the import duty on Olive oil was increased to 40%. With effect from 01.01.2020, the import duty on Crude and Refined Palm Oil was revised to 37.5% and 45% respectively. With effect from 08.01.2020, import policy of Refined Palm Oil is amended from 'free' to 'Restricted' category. With effect from 27.11.2020, the import duty on crude palm oil has been revised from 37.5% to 27.5%. With effect from 14.10.2021, basic duty on Crude Palm Oil, Crude Soyabean Oil and Crude Sunflower Oil is Nil. The Agri-cess on these Oils has been brought down 5% for Crude Palm Oil, Crude Soyabean Oil and Crude Sunflower Oil. The basic duty on Refined Soyabean and Refined Sunflower Oil has been slashed to 17.5% and for RBD Palmolein Oil basic duty has been reduced to 12.5%. The present import duty structure has been extended till 31st March, 2024. In order to ensure availability of edible oil in the country, export of edible oil has been banned w.e.f. 17.03.2008, which was extended from time to time. With effect from 06.02.2015, export of rice bran oil in bulk has been permitted. With effect from 27.03.2017, export of groundnut oil, sesame oil, soyabean oil and maize (corn) oil has been permitted.

With effect from 06.04.2018, export of all edible oils except mustard oil was made free without quantitative ceiling; pack size etc, till further orders. Export of mustard oil is permitted in packs of up to 5 Kg with a Minimum Export Price (MEP) of USD 900 per MT.

[Source: <https://dfpd.gov.in>]

### Raw Materials

**Rice Bran:** Rice bran is the principal raw material used for the production of rice bran oil. Rice bran is a byproduct of the rice-milling process and is found in abundance in rice producing areas. As per Final Estimates for 2022-23 released on October 18, 2023, total production of rice during 2022-23 is estimated at record 1,357.55 Lakh tonnes. It is higher by 62.84 Lakh tonnes than previous year's Rice production of 1294.71 Lakh tonnes and by 153.65 Lakh tonnes than the last five years' average production of 1,203.90 Lakh tonnes. As per the Final Advance Estimates of Area, Production and Productivity of Principal Crops during 2022-23 as per Department of Agriculture, Government of Maharashtra, Chandrapur district is one of the largest rice producing areas in Vidharba Region of Maharashtra with a production of 2,707.70 '00tonnes and therefore rice bran is easily available at competitive prices in this region.

**Corn/Maize:** Maize is the third most important cereal crop in India after rice and wheat. It accounts for around 10 percent of total food grain production in the country. India is also the fifth largest producer of Maize in 2020 as per FAO data and India's share in world production accounted to be 2.59 per cent in the same year. As per Final Estimates for 2022-23 released on October 18, 2023, the estimated production of maize during 2022-23 is 380.85 Lakh tonnes. As per the Final Advance Estimates of Area, Production and Productivity of Principal Crops during 2022-23 as per Department of Agriculture, Government of Maharashtra, the maize production in the State of Maharashtra was 38,881.60 '00 tonnes.

### Rice Bran Oil

Rice bran oil is extracted from the hard outer brown layer of rice after chaff or rice husk. It is well known for its high smoke point of 232 °C i.e. 450 °F and mild flavour, making it fit for high-temperature cooking methods such as stirfrying and deep-frying. It has an ideal balance of Polyunsaturated Fats (PUFA) and Monounsaturated Fats (MUFA), in almost a 1:1 ratio. Since rice bran oil is made from bran it is rich in Vitamin E, an antioxidant. Processing and Production of Solvent Extracted Oils Capacity Utilisation in OY 2022-23 increased during the year. Solvent extraction processing of oilseeds including soyabean, oilcakes and rice bran during OY 2022-23 is provisionally reported at 265 lakh tonnes compared to 250 lakh tonnes during the previous year. The overall production of solvent extracted oils during OY 2022-23 from rice bran, oil cakes, minor oilseeds and soybean is reported at 40.8 lakh tonnes as against 38.5 lakh tonnes during 2021- 22.

**PROCESSING AND PRODUCTION OF RICE BRAN DURING FISCAL YEARS 2013-14 TO 2022-23**

Year April- March	Rice Bran Processed MT	Rice Bran Oil Produced			De-oiled Rice Bran Produced MT
		Edible MT	Industrial MT	Total MT	
2013-14	32,43,962	4,10,763	67,239	4,78,002	27,45,516
2014-15	30,17,395	4,16,368	54,502	4,70,873	25,36,351
2015-16	29,50,663	4,12,627	51,542	4,64,169	24,71,213
2016-17	26,19,134	3,61,087	46,859	4,10,361	21,95,703
2017-18	25,55,036	3,74,484	37,034	4,11,518	21,36,443
2018-19	24,42,363	3,62,612	44,342	4,06,954	20,44,100
2019-20	21,35,779	3,10,530	40,951	3,51,481	17,69,044
2020-21	23,66,286	3,39,650	42,067	3,81,717	19,64,224
2021-22	26,92,877	4,01,258	37,122	4,38,380	22,30,790
2022-23	31,06,371	4,49,031	74,030	5,23,061	25,67,822

[Source: SEA Annual Report 2022-23]

As India the world's largest importer of vegetable oil tries to meet edible oil shortage caused by global supply constraints, rice bran has become a sought-after commodity. Rice bran is traditionally used for cattle and poultry feed as it is a by-product in rice milling. Rice bran is popular among health-conscious consumers but has historically been more expensive than rival oils while in recent years oil mills have begun to extract rice oil.

As it is one of the fastest growing edible oils, it forms a small part of the total consumption of vegoil in India. Production and imports are set to increase to meet the demand. Indonesia's ban on palm oil exports and disruptions to sunflower oil shipments from Ukraine have eroded rice bran oil's traditional premium over rival oils recently. Since it has flavor properties similar to sunflower oil, this has increased the demand for bran oil.

Secrete: General of International Association of Rice . Mehta said, "As the import of sunflower oil sine decreased, consumers began to replace it cran oll. india usually meets more than two-thirds sufiower oil requirements through imports from pizzing" As per the data compiled by Solvent Extractors Asseociation of india (SEA), "Rice bran oil typically commands a premium of about 25 percent over other oils, but in recent months it has become cheaper than imported vegetable olls, making it more affordable to the public. Competitive prices have boosted consumption of rice bran oil since March and encouraged companies to extract more oil."

One of the consumer said, "Due to COVID-19, everyone was looking for healthy food options and Rice Bran Oil is that. Many consumers of sunflower oll have turned to rice bran oll because it tastes great in addition to being a healthy product. Even if the premium comes back, he will buy Rice Bran Oil for his family of four." According to Punit Goya, CEO of Raisela Group, the country's largest rice bran oil producer, "Rice bran oil has changed the economy for rice millers, who are now prioritizing bran oil production and ewes, while the demand for rice bran oil has become so strong. Instead of a by-product for rice mills, rice oran nas now become a main product. There are plans to increase the refinery capacity to meet the growing demand from 600 tonnes to 750 tonnes per day in the next two months." All India Rice Exporters Association President B.V. Krishna Rao said, "Due to shortage of vegetable oil, oil mills are ready to pay record high price for bran. The cost of milling paddy to extract rice is around Rs 19,000 per tonne while the cost of rice bran has increased from Rs 30,000 to Rs 36,000 per tonne. Since rice bran must be processed into oil within 48 hours of separation from the husk to be suitable for human consumption, the lack of oil processors in all rice milling areas remains a major limiting factor on the supply of bran oil. Currently only 55 percent of the bran is processed, with the remainder going to the low-cost feed market. Still, many oil production, with the country set for a record bran oil output of 1.05 million tonnes this year, up from about 950,000 tonnes in 2021, helping india reduce imports of rival oils." On of the exporters said, "As the population grew, incomes increased and people started eating out and edible oil consumption in India has tripled in the last two decades. The country consumes about 23 million tonnes of vegetable oil per year, of which about 13 million tonnes comes from imports. The Indian arms of Adani

Wilmar, Emami and Cargill have launched their Rice Bran Oil brands to meet the growing urban demand Rice bran oil brands have become popular and consumer acceptance is increasing.”

After removing the husk (chaff) which is the outer layer of the rice grain, unsaturated fatty acids in the right proportion, rice bran oil is one of the healthiest oils. For high temperature cooking like stir fry and deep fry, it comes with low viscosity and high smoke point which makes it perfect. When the oil is heated, its oil color is darker than other vegetable oils, which turn black. In South and East Asian countries, it is often used in various cuisines. In India, Nepal, Bangladesh, Indonesia, Japan and Malaysia are some of the countries in which this oil is popular. A lot of vitamins, antioxidants and nutrients are found in this oil while it is fat free. Rice bran oil helps fight blood diseases. Even improves the immune system and is reported to have myriad beneficial effects on cholesterol, high blood pressure, insomnia, and hyperglycemia. Oil added to food can enhance oxidative stability while also upgrading nutritional value. It has excellent storage stability and comes with a subtle and nutty flavour. This nutritious oil can also become the basis for cooking food as well as making vanaspati ghee. This oil helps in obtaining rice bran wax which is used in cosmetics, confectionery and shoe creams. Also it is recommended by World Health Organisation (WHO) because of its right balance of saturated, monounsaturated and polyunsaturated fats. Several nutrients in the oil such as  $\gamma$ -oryzanol, phytosterols, tocopherols, and tocotrienols provide numerous health benefits. The composition of crude rice bran oil includes around 81.3 -84.3 percent of Triglycerides, Diglycerides: 2- 3 percent Diglycerides, 5-6 percent Monoglycerides, 2-3 percent Free fatty acids, 0.3 percent Waxes, 0.8 percent Glycolipids, 1.6 percent Phospholipids and 4 percent Unsaponifiables. With a maximum free fatty acid level of 0.1 percent, a maximum peroxide value of 1.0 meq per kg, 0.05 percent moisture, an iodine value of 99 to 108, saponification value of 180 to 195, and a Lovibond color value of 3.5R, the rice bran oil comes, Lots of vitamin K and vitamin E is available in Rice bran oil.

Consuming poly and mono-unsaturated fats has been shown to like Bran Oil improve blood cholesterol levels and reduce the risk of heart attack and type-2 diabetes, also available in good amounts. Around 120 Calories, 0 gms Protein, 14 gms Fat, 0 gms Carbohydrates, 0 gms Fiber, and 0 gms Sugar comes in one spoon of rice bran oil.

Brown rice or the outer layer of the bran is To extract the oil form of rice bran, the milling process activates an enzyme in the bran that quickly breaks down lipids and destroys valuable fats. Raw rice bran has a very short shelf life, plus it leaves a narrow window for processors to extract the oil before it goes rancid. The physical size and structure of rice bran particles present additional challenges that make processing difficult, especially when racing against the clock to overcome these tricky enzymes. Processors can buy some extra time and tap into the extra profit by stabilizing the bran before extraction to ensure high yield, good quality rice bran oil. Rice bran is very valuable as an oil source with a higher fat content than soybeans, between 20-25 percent of which once extracted from the kernel is discarded as waste. The grinding process separates the bran from the kernel, generating frictional heat, which activates the fast-acting lipase enzyme in the bran. As the bran is thawed, these enzymes rapidly break down the triglycerides in the fat, releasing free fatty acids that accelerate rancidity and spoilage. These enzymes can destroy up to 10 percent of the oil in rice bran within a few days. It may spoil up to 70 percent of oil, with no potential benefit if left untreated after three months. So oil mills must act faster than the enzyme can to quickly extract the oil from the bran or find a way to stop the reaction in its tracks. Rice bran oil processing has a fine powdery texture of the bran, which can cause problems during extraction. These small particles can cause contamination in the plant and make the resulting oil more challenging to clarify after extraction. For rice bran oil processors, unless they find more cost-effective solutions, these inherent challenges could severely limit processing capacity, yields and profits.

Andersen International has developed a patented process to stabilize rice bran with Solvex™ Extender to address these processing challenges and the high pressure, high temperature environment inside Solvex safely inactivates enzymes while also compacting finer particles for more efficient solvent extraction. Solvex works like a continuous pressure cooker by increasing the pressure and temperature of the rice bran while adding steam and water to increase the moisture level. It is important to reach a moisture level of 25 percent to completely inactivate the enzymes because high moisture facilitates an effective heat transfer to destroy the lipase enzyme without scorching the fat while moisture levels below 15 percent can temporarily slow down enzymatic activity without stopping it.

## **Ethanol Industry**

Ethanol is one of the principal biofuels, which is naturally produced by the fermentation of sugars by yeasts or via petrochemical processes such as ethylene hydration. It has medical applications as an antiseptic and disinfectant. It is used as a chemical solvent and in the synthesis of organic compounds, apart from being an alternative fuel source. The National Policy on Biofuels – 2018, provides an indicative target of 20% ethanol blending under the Ethanol Blended Petrol (EBP) Programme by 2030. By 2025, at 20% blending level, ethanol demand will increase to 1016 crore litres. Therefore, the worth of the ethanol industry will jump by over 500% from around Rs. 9,000 crore to over Rs. 50,000 crore. With a view to achieve blending targets, Department of Food and Public Distribution (DFPD) is making concerted efforts to enhance the ethanol distillation capacity in the country. Department of Food and Public Distribution (DFPD) is the nodal department for promotion of fuel grade ethanol producing distilleries in the country. Government has allowed ethanol production/ procurement from sugarcane-based raw materials viz. C & B heavy molasses, sugarcane juice / sugar / sugar syrup, surplus rice with Food Corporation of India (FCI) and Maize. An in-house study was conducted to understand potential for ethanol production from the lens of water consumption. It concluded that sugar continues to be the most lucrative food crop for ethanol even though it has the highest water consumption per acre. Amongst grains, maize is the least water-intensive crop that can be used for ethanol production, although the rate of conversion to ethanol is lower than for rice and broken rice. It is expected that capacity of molasses-based distilleries would increase from current levels of 426 crore litres to 730 and 760 crore litres by 2024-25 and 2025-26 respectively. 75 crore litres capacity is being added by existing grainbased distilleries; further OMCs are planning to set up about 10-15 new grain-based distilleries thereby adding capacity by 100-150 crore litres. Hence, capacity of grain-based distilleries is expected to reach 350, 450, 700 and 740 crore litres during 2022-23, 2023-24, 2024-25 and 2025-26 respectively from current levels of 258 crore litres.

**Ethanol Capacity Requirement by Year and Raw Material**

Year	Capacity Augmentation (in cr. Litre)		
	Capacity Requirement		
	Grain	Molasses	Total
2019-20	258	426	684
2020-21	260	450	710
2021-22	300	519	819
2022-23	350	625	975
2023-24	450	725	1175
2024-25	700	730	1430
2025-26	740	760	1500

[Source: <https://www.ibef.org>]



## OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read “Forward Looking Statements” on page 15 of this Draft Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company’s strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in “Risk Factors” on page 21. This section should be read in conjunction with such risk factors.*

*Unless otherwise indicated, industry and market data included in this section has been derived from the industry sources. This section should be read in conjunction with the “Industry Overview” on page 99 of this Draft Prospectus. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12 months period ended March 31 of that year.*

*Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “Restated Financial Information”, included in this Draft Prospectus on page 166.*

### **OVERVIEW**

Our Company was originally incorporated under the name ‘Swasth Foodtech India Private Limited’, pursuant to a certificate of incorporation dated February 2, 2021 issued by the Deputy Registrar of Companies, Registrar of Companies, Central Registration Centre. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in their meeting held on January 27, 2024 and by the Shareholders in an Extraordinary General Meeting held on February 21, 2024 and a fresh certificate of incorporation dated May 20, 2024 was issued by the Registrar of Companies, Central Registration Centre. Consequent to the conversion of our Company, the name of our Company was changed to ‘Swasth Foodtech India Limited’.

We are in the business of processing of rice bran oil from crude oil, for sale to oil manufacturers and packers. We manufacture various rice bran oil under various grades and colours, based on the requirement of our customers. We believe that rice bran oil is healthier than the other options available in the market, on account of it having an ideal balance of polyunsaturated fats and monounsaturated fats, in almost a 1:1 ratio. Since rice bran oil is made from rice bran, it is rich in Vitamin E, an antioxidant and Oryzanol. Rice bran oil is a healthy oil extracted from the germ and inner husk of rice kernels. It has gained popularity in recent years due to its numerous health benefits. The advantages of rice bran oil include support heart-healthy; high smoke point makes it a good choice for stir-frying, sauteing, and other high-heat cooking methods; and Neutral flavor makes it a versatile oil that can be used in a variety of dishes. We have crafted our business model in such a manner that we market and sell, our finished products, being rice bran oil, as well as the residue and the byproducts generated while processing our products. Therefore, we market and sell, fatty acid, gums, spent earth and wax in the open market. A break up of our product-wise revenue from operations earned by our Company during the preceding three years and period ended June 30, 2024 has been provided below:

Products	Three month period ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
<b>Manufactured Products</b>								
Rice Bran Refined Oil	3,458.49	85.71%	11,717.03	87.93%	7,490.15	74.98%	-	0.00%
Sale of By-products	238.55	5.91%	955.19	7.17%	656.03	6.57%	-	0.00%
<b>Traded Goods</b>								
Rice Bran Refined Oil	-	0.00%	0.27	0.00%	566.32	5.67%	-	0.00%

Products	Three month period ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
Maize	-	0.00%	49.45	0.37%	-	0.00%	-	0.00%
De Oiled Rice Bran	-	0.00%	8.92	0.07%	-	0.00%	-	0.00%
Palmolein Oil	-	0.00%	-	0.00%	35.15	0.35%	-	0.00%
Fatty	-	0.00%	101.18	0.76%	-	0.00%	-	0.00%
Husk	-	0.00%	21.98	0.16%	-	0.00%	-	0.00%
Rice Bran Crude Oil	338.18	8.38%	470.96	3.53%	1,241.99	12.43%	1,22.10	100.00%
<b>Total</b>	<b>4,035.22</b>	<b>100.00%</b>	<b>13,324.98</b>	<b>100.00%</b>	<b>9,989.64</b>	<b>100.00%</b>	<b>1,22.10</b>	<b>100.00%</b>

Processing of rice bran oil mainly involves refining the extracted crude rice bran oil. Our Company have capacity of 125 MT per day as on the date of this Draft Prospectus. We own and operate one manufacturing facility in district of Purba Burdwan, in the State of West Bengal, which is strategically located in India. Our manufacturing facility has a refining unit which enables integrated processing of rice bran oil. At present, we manufacture rice bran oil in bulk form to third party brands and oil manufacturers. We intend to utilise a portion of the Net Proceeds towards setting up of a packaging unit at our existing manufacturing unit, to package, brand and sell our products under our own brands to small retailers, warehousing agents, directly for sale to end use customers. We also intend to undertake the packaging at the new packaging unit for third party brands. We believe that setting up a packaging unit will provide us the ability of (i) building our own brand and (ii) scaling our operations by adding additional products as part of our product portfolio, thus contributing immensely towards our business operations and market position.

The financial performance of our Company for the three months period ended June 30, 2024 and Fiscals 2024, 2023 and 2022, is as follows:

Particulars	Three month period ended June 30, 2024	Fiscal		
		2024	2023	2022
	Revenue earned in (₹ in lakhs)	Revenue earned in (₹ in lakhs)	Revenue earned in (₹ in lakhs)	Revenue earned in (₹ in lakhs)
Revenue From Operation	4,035.22	13,324.98	9,989.64	122.10
EBITDA	170.37	472.19	189.93	2.42
EBITDA Margin	4.21%	3.52%	1.90%	1.98%
Net Profit After Tax	88.24	193.24	2.69	1.14
Net Profit Margin	2.18%	1.44%	0.03%	0.93%
Return on Net Worth	12.39%	30.97%	0.89%	0.38%
Return on Capital Employed	5.73%	13.48%	5.11%	0.22%
Debt-Equity Ratio	2.71	3.75	7.87	2.64
Total Assets Turnover	1.10	4.19	3.27	0.10

The sale of our products is majorly made to oil manufacturers, which makes our business model business to business (B2B), wherein our Company processes and/or supplies rice bran oil to reputed manufacturers and packers in tankers, . We majorly sell our products in bulk form to players operating with their own brands and to those who sell edible oil in unbranded or loose form. We also sell our products to re-packers who ultimately sell the oil either in their own brands or further sell in bulk form. We believe our business model adds value to our business operations by ensuring higher capacity utilization and improving the overall production efficiency and costs.

Since incorporation, it has been our Company's vision and focus to process and supply superior quality products to our customers, which has enabled us to expand our business operations. In order to set up internal controls for processing our products, we have set up an in-house laboratory for testing our raw materials and finished products. We have a quality control and assurance division ("Quality Division") in our manufacturing unit which carries out the required tests on the materials received including raw materials which are used in the manufacturing process and also on the final products. Our laboratory carries out oil analysis tests on the raw materials and finished products to ensure that our products are compliant with the specifications provided by regulatory bodies such as, FSSAI. In addition to testing our key products, we also carry out an in-process testing, wherein we on a sample basis measure the physical parameters of the oil processed by us at each and every stage of the production process. Additionally, we also undertake quality testing of each of our by-products and residue to check the amount of oil soaked by such products and the requirement of reprocessing a particular process to reduce wastage or to achieve efficiency. To ensure our standard of products we also undertake quality tests from third party laboratories.

We believe we operate a zero waste unit, wherein all the residue or by-products manufactured during the production process are either re-used in the production process or are sold to third parties or in the open market. The crude rice bran oil procured from our suppliers when processed generates by-products such as gums, wax, fatty acids, and residual spent earth in addition to refined oil. Our manufacturing unit is fully automated, made with high grade Stainless Steel 304, equipped with state of the art equipments and machinery for refining of crude oil and extracting by-products in an efficient manner, without any physical intervention of workforce. During the processing of crude rice bran oil, we sometimes use processed oil to avoid wastage and to ensure effective utilisation of our raw materials. We, therefore operate a zero waste unit which increases our productivity and cost effectiveness. The details of the parties to whom we sell our by-products have been provided below:

S. No.	Particulars of by-products	Industry/ customers served
1.	Fatty Acid	Soap
2.	Gums	Soap
3.	Spent Earth	Batch type solvent plant
4.	Wax	Cosmetics and animal feeds

## FINANCIAL HIGHLIGHTS

The table below sets forth certain key operational and financial metrics for the periods indicated:

Key Performance Indicators	Three months period ended June 30, 2024 <sup>#</sup>	March 31, 2024 <sup>#</sup>	March 31, 2023 <sup>#</sup>	March 31, 2022 <sup>#</sup>
Revenue from Operations	4,035.22	13,324.98	9,989.64	122.10
EBITDA <sup>(1)</sup>	170.37	472.19	189.93	2.42
EBITDA Margin <sup>(2)(3)</sup>	4.22%	3.54%	1.90%	1.98%
Profit After Tax	88.24	193.24	2.69	1.14
PAT Margin <sup>(4)</sup>	2.18%	1.44%	0.03%	0.93%
ROE <sup>(5)*</sup>	12.39%	30.97%	0.89%	0.38%
ROCE <sup>(6)*</sup>	5.73%	13.48%	5.11%	0.22%
Net Debt/ EBITDA <sup>(7)</sup>	10.95	4.87	11.96	324.62

The table below sets forth a break-up of the revenue earned by our Company across various domestic states during the preceding three years and the three month period ended June 30, 2024:

State	Three month period ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
ASSAM	-	0.00%	108.57	0.81%	431.97	4.32%	-	0.00%
BIHAR	118.00	2.92%	581.07	4.36%	622.36	6.23%	120.42	98.62%

CHHATTISGARH	19.31	0.48%	76.23	0.57%	21.24	0.21%	-	0.00%
DELHI	24.67	0.61%	183.27	1.38%	21.81	0.22%	-	0.00%
GUJARAT	-	0.00%	68.75	0.52%	-	0.00%	-	0.00%
HARYANA	118.68	2.94%	24.97	0.19%	73.98	0.74%	-	0.00%
MADHYA PRADESH	149.37	3.70%	1,860.25	13.96%	254.67	2.55%	-	0.00%
MAHARASHTRA	-	0.00%	30.39	0.23%	34.80	0.35%	-	0.00%
ODISHA	-	0.00%	22.65	0.17%	-	0.00%	-	0.00%
PUNJAB	-	0.00%	474.51	3.56%	225.34	2.26%	-	0.00%
RAJASTHAN	959.03	23.77%	2,639.06	19.81%	1,773.04	17.75%	-	0.00%
TRIPURA	22.61	0.56%	22.90	0.17%	-	0.00%	-	0.00%
UTTAR PRADESH	524.83	13.01%	607.30	4.56%	88.82	0.89%	-	0.00%
WEST BENGAL	2,098.72	52.01%	6,625.06	49.72%	6,413.69	64.20%	1.68	1.38%
UTTARAKHAND	-	0.00%	-	0.00%	27.92	0.28%	-	0.00%
<b>Total</b>	<b>4,035.22</b>	<b>100.00%</b>	<b>13,324.98</b>	<b>100.00%</b>	<b>9,989.64</b>	<b>100.00%</b>	<b>122.10</b>	<b>100.00%</b>

The table below sets forth a break-up of the revenue earned by our Company from top ten customers during the preceding three years and the three month period ended June 30, 2024:

Particulars	Three month period ended June 30, 2024	
	Revenue earned in (₹ in lakhs)	% of total revenue
Vijay Solvex Limited	932.19	23.10%
Gokul Agri International Limited	548.26	13.59%
Shree Narsingh Udyog	218.93	5.43%
Hind Veg Oils Private. Limited.	197.86	4.90%
Aone Agro Products Private Limited	173.83	4.31%
Satyanarayan Bhandar	142.34	3.53%
Shiv Chem Innovation	121.35	3.01%
Balaji Production	118.13	2.93%
Agarwal Edibles	89.68	2.22%
Mungipa Agro Products	87.73	2.17%
<b>Total</b>	<b>2630.3</b>	<b>65.18%</b>

Particulars	Fiscal 2024	
	Revenue earned in (₹ in lakhs)	% of total revenue
Vijay Solvex Limited	2377.98	17.85%
Airson Oils Private Limited	1175.08	8.82%
Shivam Food and Fats	843.99	6.33%
Gokul Agri International Limited	600.48	4.51%
B.R Agro Products Private Limited	470.01	3.53%
Shri Ashok Kumar Arora Oil Company	469.44	3.52%
R.S.Industries	375.85	2.82%
Shree Narsingh Udyog	330.33	2.48%
Shivaji Udyog	324.41	2.43%
Om Agro Oils India LLP	267.04	2.00%
<b>Total</b>	<b>7234.61</b>	<b>54.29%</b>

Particulars	Fiscal 2023	
	Revenue earned in (₹ in lakhs)	% of total revenue
Vijay Solvex Limited	1,703.08	17.05%
R.K Food Industries	946.33	9.47%
Shree Narsingh Udyog	561.04	5.62%
S.B Agro Commodity	539.78	5.40%

Particulars	Fiscal 2023	
	Revenue earned in (₹ in lakhs)	% of total revenue
A.R Enterprise	431.97	4.32%
Shivam Food and Fats	368.44	3.69%
Ridhi Sidhi Traders	286.02	2.86%
Suwalal Raviprakash Oils Private Limited	224.12	2.24%
Aone Agro Products Private Limited	223.85	2.24%
Keshav Udyog	211.19	2.11%
<b>Total</b>	<b>5495.82</b>	<b>55.02%</b>

Particulars	Fiscal 2022	
	Revenue earned in (₹ in lakhs)	% of total revenue
Technocrates	115.35	94.47%
Sumit Traders	3.64	2.98%
Siblal Agrovat Private Limited	1.68	1.38%
Riyanshu Enterprises	1.43	1.17%
<b>Total</b>	<b>122.10</b>	<b>100.00%</b>

The table below sets forth a break-up of the top ten suppliers during the preceding three years and the three months period ended June 30, 2024:

Particulars	Three month period ended June 30, 2024	
	Expenses incurred in (₹ in lakhs)	% of total expenses
P.K.Agri Link Private Limited	964.86	23.37
M/S. Joy Ma Tara Agro Oil	928.36	22.49
Radhashyam Industries Private Limited	443.58	10.75
Pratishtha Commercial Private Limited	333.04	8.07
Bardhaman Edible Private Limited	224.28	5.43
Novatech Oil Private Limited	91.06	2.21
Growing Tree Oil & Refinery Private Limited	83.57	2.02
Adrika Health Food Private Limited K.C Agrotech	80.83	1.96
APS Agro Oils Private Limited	80.67	1.95
K.C Agrotech	79.97	1.94
<b>Total</b>	<b>3310.22</b>	<b>80.19</b>

Particulars	Fiscal 2024	
	Expenses incurred in (₹ in lakhs)	% of total expenses
M/S. Joy Ma Tara Agro Oil	2,728.25	20.94
Majumder Agro Industries Private. Limited	1,230.30	9.44
P.K.Agri Link Private Limited	1,183.77	9.08
Adrika Health Food Private Limited	676.77	5.19
Bardhaman Edible Private Limited	644.79	4.95
K.C Agrotech	498.40	3.82
Gunjan Commotrade Private Limited	435.31	3.34
Seahawk Agro Private Limited.	422.23	3.24
Sethia Oils Limited	368.06	2.82
Krupalu Solvent	307.11	2.36

Particulars	Fiscal 2024	
	Expenses incurred in (₹ in lakhs)	% of total expenses
<b>Total</b>	<b>8,494.99</b>	<b>65.18</b>

Particulars	Fiscal 2023	
	Expenses incurred in (₹ in lakhs)	% of total expenses
M/S. Joy Ma Tara Agro Oil	1,662.71	15.01
Pep Agro Industries Private Limited	916.96	8.28
Majumder Agro Industries Private Limited	723.32	6.53
Adrika Health Food Private Limited	665.93	6.01
Arghodeep Construction Private Limited	560.31	5.06
Chhajer Agro Products Private Limited	454.04	4.1
Pragati Agri Products Private Limited	409.58	3.7
Growing Tree Oil & Refinery Private Limited	408.68	3.69
Soliel Oilex Private Limited	375.81	3.39
Yash Laxmi Solvent Private Limited	333.85	3.01
<b>Total</b>	<b>6,511.19</b>	<b>58.78</b>

Particulars	Fiscal 2022	
	Expenses incurred in (₹ in lakhs)	% of total expenses
Gunjan Commotrade Private Limited	3.78	3.9
Chhajer Agro Products Private Limited	42.78	44.11
M/S. Joy Ma Tara Agro Oil	50.42	51.99
<b>Total</b>	<b>96.98</b>	<b>100.00</b>

## DESCRIPTION OF OUR PRODUCTS

We manufacture rice bran oil and its other by-products, details of which have been provided below:

### Rice Bran Oil

Rice Bran Oil is one of the healthiest choices available in cooking oils. It has an ideal balance of polyunsaturated and monounsaturated fats making it ideal for a healthy heart. Rice bran oil offers numerous health benefits. The Vitamin E present in rice bran oil helps keep skin soft, supple, and wrinkle-free and also boosts immunity and help the body fight against infection and other common diseases.

We procure crude oil from domestic solvent plants and also purchase from local traders. We process domestically procured crude oil and extract certain by-products, including but not limited to fatty acid, gums and wax, to form finished rice bran oil.

We market and sell rice bran oil in bulk and lose form to oil manufacturers, refiners, re-packers and wholesalers.

### By-Products

By-products derived during process of refining of oil includes fatty acid, wax gums and spent earth which are generally procured by industries such as Soap, Cosmetics, animal feeds and Batch type solvent plant..

A break up of the revenue earned from sale of rice bran oil and its by-products during the preceding three years and the three months period ended June 30, 2024 has been provided below:

Customers	Three month period ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
Rice bran oil	3,458.49	85.71%	11,717.03	87.93%	7,490.15	74.98%	-	0.00%
By-products	238.55	5.91%	955.19	7.17%	656.03	6.57%	-	0.00%

## OUR COMPETITIVE STRENGTHS

### *Modern and strategically located manufacturing facilities.*

Our processing facility is strategically located near the ports of West Bengal. Our manufacturing unit is fully automated, made with high grade Stainless Steel 304, equipped with state of the art equipments and machinery for refining of crude oil and extracting by-products in an efficient manner, without any physical intervention of workforce. Our total refining capacity as at June 30, 2024 was 125 MT per day. Our processing unit has advanced equipment and technology supplied by Technior India Engineering. Technological developments are key in maintaining process efficiencies in refining and we have consistently invested in enhancing our refining infrastructure. We have invested in a high level automation at our facilities, which gives us an edge in production efficiencies, as well as ensuring consistent quality. Location and access to ports (land as well as sea) enable us to procure our raw materials at cost competitive prices, by reducing the expenses incurred towards logistics, especially given the high volumes that we procure from traders who import.

We adopt stringent quality control measures for our products. Given the high level of automation at our plant, we can produce the desired quality consistently. The oil is tested at various stages from the crude to intermediate to refined form. Only if the refined oil passes the stringent quality parameters, it is dispatched. Our laboratory at our refinery run round-the-clock to perform the tests to ensure high quality outputs. Our industrial customers themselves have stringent quality control requirements and perform regular audits of our facilities. We have a strong focus on innovation in processes to improve yields and reduce costs. These innovations have been possible due to the collective knowledge of many years of our senior production team in edible oils and fats technology.

### *Easy availability of crude oil around our manufacturing facility.*

Crude oil is procured from local solvent units in West Bengal and other parts of the country and local traders. Our raw materials are therefore easily available for our manufacturing unit. Further, owing to the close proximity of ports and easy access of roads, we are able to easily procure our raw materials at low prices from our local traders and importers at low prices. The ease of availability of crude oil in abundance, which is our main raw material, ensures the smooth operations of our manufacturing facility, and production and sale of our finished products. In addition to the ease in availability, crude oil is also available to us at a competitive price which in turn enhances our ability to compete aggressively in pricing of our finished product as compared to our competitors.

### *Arrangements with institutional oil manufacturers for supply of rice bran oil*

We market and sell rice bran oil in bulk and loose form to oil manufacturers, refiners, re-packers and wholesalers. We have entered into informal arrangements with institutional manufacturers and reputed brands for supplying our products in bulk.

As a part of our arrangement with these institutional manufacturers, we process the rice bran oil as per their quality requirements. Our existing relationships with such manufacturers helps us to get repeat business from them. This has helped us to maintain a long term working relationship with our customers and improve our customer retention strategy. We have strong existing client relationships which generates multiple repeat orders. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our

business. Further being a small and medium size organisation we rely on personal relationships with our customers. We believe that existing relationships will help as a core competitive strength for us.

***Quality Assurance and Quality Control of our products.***

We are committed towards quality of our products. Our determination towards quality is demonstrated by well-defined quality and safety procedures at various stages of our manufacturing process from procurement of raw material to distribution of our products. Owing to the expertise of our experienced and trained team forming part of our Quality Division, all our products are manufactured strictly as per the regulatory standards. All our manufacturing facilities have a fully equipped Quality Division with experienced and qualified staff to carry out quality checks and inspections at all the stages of our manufacturing process. We have necessary infrastructure to test our raw materials and finished products to match the quality standards as specified by the relevant customers and FSSAI Standards. Our Quality Division and in-house quality laboratories are well-equipped for ensuring the quality and compliance with regulatory standards. To ensure the quality of our products, we also undertake third party quality tests.

***Well experienced management team with proven project management and implementation skills.***

We are led by a group of individuals, having a strong background and extensive experience in the specialized edible oil industry. Our Promoters have been associated with us since the inception and is actively involved in the strategic decision making for our Company, pertaining to corporate and administrative affairs, financial operations, expansion activities, business development and management of overall business. We have an experienced and professional management team with strong management and execution capabilities and considerable experience in the oil industry. The team comprises of personnel having technical, operational and business development experience. We have employed suitable technical and support staff to manage key areas of activities allied to operations. Our team is well qualified and experienced and has been responsible for the growth of our operations. We believe the stability of our management team and the industry experience brought in coupled with their strong repute, will enable us to continue to take advantage of future market opportunities and expand into new markets. For further details of the educational qualifications and experience of our management team and our Key Managerial Personnel please refer the chapter titled “*Our Management*” beginning on page 141 of this Draft Prospectus.

**OUR BUSINESS STRATEGIES**

***Setting up of a packing line at our existing manufacturing unit to focus on packing and selling our products in our own brand in small quantities***

We are in the business of processing of rice bran oil from crude oil and selling in bulk to oil manufacturers and packers. While, we leverage on our ongoing relationship with reputed brands and institutional oil manufacturers, however we also intend to expand our customer base and product reach, by packaging products on our our brands in smaller quantities for sale to retailers and wholesalers etc. We also intend to utilise the packaging unit for third parties. Thus, we intend to create a brand presence of our products, which indirectly are already well placed in market, on account of being rebranded and sold by our institutional customers. We intend to utilise an amount of ₹ 329.87 lakhs towards setting up of a packaging line at our existing manufacturing unit in the district of Purba Burdwan. We believe that our quality of products and efficient production process positions us well in the Indian market to capitalize on the demand for healthier cooking oils.

***Addition of ‘sunflower oil, mustard oil, soya oil and palm oil’ as an additional products***

We intend to enter new product categories viz. sunflower oil, mustard oil, soya oil and palm oil for both our institutional customers and prospective end use customers. In accordance with this, while we seek to continue to strengthen our existing product portfolio, we intend to further diversify into products with prospects for increased growth and profitability. We plan to continue to increase offerings in our current business segments as well as diversify into new products by tapping into segments which in the view of our management have attractive growth prospects. Further, we believe that with the strategic initiative of setting up a packaging line in our existing manufacturing unit, our customer base would be diversified, as a consequence of the same, there will be a continuous demand to evolve



our existing products and expand our product portfolio to meet these requirements. We believe that our emphasis on quality of manufacture and timely delivery of our offerings have been a key factor in our ability to attract new customers and to retain our existing customers. We intend to draw on our experience, market position and ability to timely deliver quality products to successfully foray into other sectors as well as to other geographies.

***Diversifying and increasing penetration in markets***

Our Company is proposing to expand its business operations globally by exporting our products/by-products to countries/continents such as Japan, Europe and America. Our by-products find various applications in manufacture of medicinal products and laminated bags. Our Company believes that the global markets offer various opportunities in term of sub-geographic penetration and product/ market diversification which we intend to seize and increase our market share by exploring untapped markets and segments to enhance our geographical reach.

***Strengthen our marketing network***

We intend to increase our distribution network by branding our products and selling the same to retailers and wholesalers, which would require a widespread sales and marketing network. Our ability to enhance our business operations shall be dependent upon us increasing our customer base through our marketing efforts. Our core competency lies in the thorough understanding of our customers’ needs and preferences, our vision to engage in sustainable practices and providing unparalleled quality of our products thereby achieving customer loyalty. We intend to strengthen our existing marketing team by inducting qualified and experienced personnel, who will supplement our existing marketing strategies in the domestic and international markets.

We would aim our business strategies to be dynamic and proactive, given the macro and micro market environments in which we operate or where we may expand in the future. Our Company shall always strive to:

- achieve maximum operational efficiency;
- strengthen and expand our market position and product portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our network of distributors, customers and geographical reach.

**DETAILS OF OUR BUSINESS**

**RAW MATERIAL PROCUREMENT**

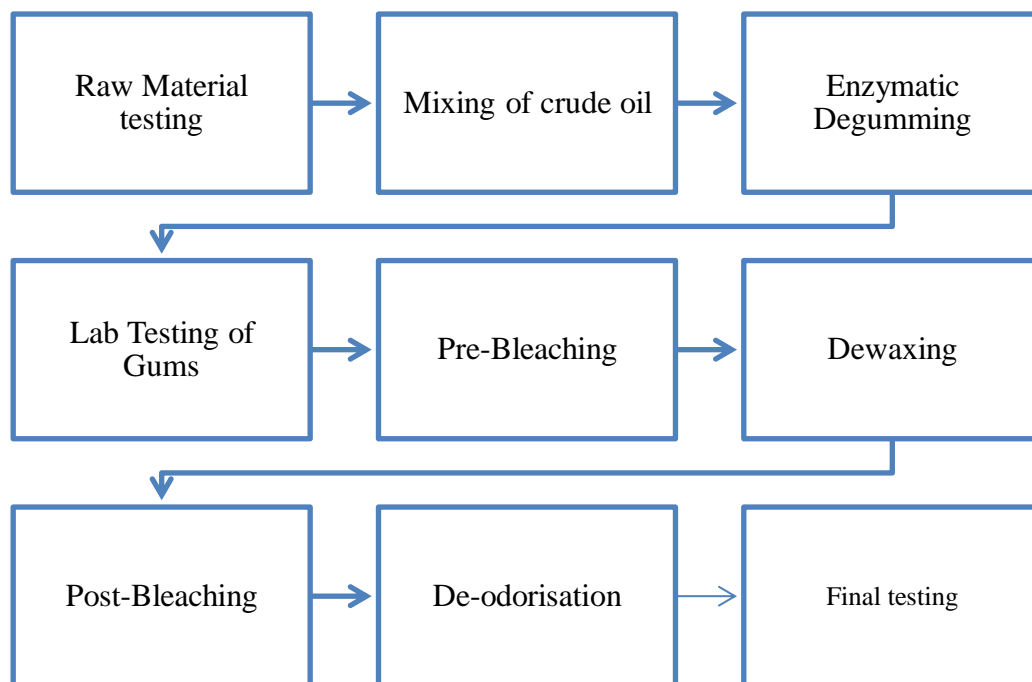
We procure crude oil from domestic solvent plants and also purchase from local traders, who in turn import it from Bangladesh. The details of the raw materials procured by us are provided below:

<b>Raw Material</b>		<b>Procured from</b>
1	Crude Oil	Directly from solvent plant and traders from across India
2	Chemicals - Enzymes, Bleaching Earth, Cytric Acid, Caustic Soda, Phosphoric Acid	Directly from the local manufacturers and traders across India

**MANUFACTURING PROCESS**

The crude rice bran oil procured from our suppliers undergoes processing and refinement to eliminate gums, wax, fatty acids, and residual odours. This is accomplished through a meticulous refining process. The result is a superior grade of edible oil, with Oryzanol as the major micro-nutrient. The refined rice bran oil is then packed in bulk in tankers and sold to our customers.

The rice bran oil refining process involves the following process:



**Raw material testing:** Upon receipt of the raw materials, our Quality Division tests the crude oil to assess its physical composition as per the parameters defined.. The quality of the oil is also checked to ensure that our final products meet with the quality requirements of our customers and regulatory agencies.

**Standardisation of crude oil:** We receive crude oil in several tanks depending on the orders placed by us. In order to ensure that the batch of the oil processed by us does not differ in physical composition, colour and taste, we mix different batches of crude oil to ensure homogeneity and standardisation of refine oil. Once the oil is mixed, the crude oil is then further transferred to the refinery segment of the facility for processing.

**Enzymatic Degumming:** Crude oil is pumped continuously in the retention tanks and constantly heated through heat exchanger at the required temperature , thereafter enzymatic solution (prepared by mixing different chemicals) is processed in hike mixer is mixed with crude oil and fed to the hydration tank and the oil is passed through sort mix separators to remove hydrated gums by mixing water... Gums free oil is then transferred to bleaching section.

**Lab testing of gums:** In order to ensure that the gums do not soak additional oil during the extraction process, our Quality Division tests the gums post the extraction process. If during the tests it is ascertained that the gums have soaked additional oil, the Enzymatic Degumming is again undertaken to reduce wastage and to ensure that the gums carry oil as per the approved levels.

**Pre-Bleaching:** Bleaching is a process of selective removal of pigments and impurities by the physical interaction of food grades- bleaching earth and carbon with degummed oil to improve its colour. This process is the art of removing colour pigments, dirt, removal of polycyclic aromatic compounds and moisture. The bleaching process is done with the help of bleachers to improve colour of oil and pressure leaf filters are used to remove bleaching earth and carbon from the oil. The bleached oil is then transferred to dewaxing section and spent earth is sold in the open market.

**Dewaxing:** The pre-bleached oil is transferred to dewaxing section where the higher melting point constituents like waxes or triglycerides from oil are eliminated by gradually cooling pre-bleached oil at 15-16°C. This process helps in crystallization and amalgamation of wax and saturated triglycerides. The crystallized wax and saturated triglycerides are removed with the help of leaf and plate filter and automatic filters and the dewaxed oil is transferred to post-bleaching section. The wax generated during the process is made available for sale to other industries. The dewaxing

process in refinery is a cost-effective way to increase profitability since it marks an essential step in the production of high-quality rice bran oil.

**Post-Bleaching:** The dewaxed oil undergoes the same bleaching treatment as referred in the pre-bleaching section to further remove the impurities from the dewaxed oil. Additionally, this process results in better colour, taste, and odour of the rice bran oil, leading to a superior end product that meets the quality standards of the market.

**De-odorisation:** The post-bleached oil is transferred to deodoriser. Deodoriser is a high vacuum vessel where oil is heated at temperature between 270-290 degrees through thermic fluid under vacuum to remove various volatile components such as fatty acid and bad odour. The final refined rice bran oil is passed through micro filters to remove any foreign particles and then transferred to refined oil tanks. Fatty acids are transferred to storage tanks.

**Final testing:** Prior to sale of rice bran oil, our Quality Division on a sample basis tests the final batch of the oil in our in-house laboratory to ensure that the oil is compliant with the quality standards of our customers and of the regulatory agencies. Final quality testing reports are kept for each batch for record purposes.

### **Testing and Quality Control**

We have adopted a quality control system throughout the entire production process in our manufacturing facility. Our manufacturing facility has its own quality control and quality assurance team comprising of two personnel and has implemented quality control procedures. We also have an in-house QC laboratory to conduct tests on raw materials and refined rice bran oil. We undertake tests on raw materials such as crude oils procured by us on sample basis in terms of various parameters including oil content, moisture, fatty acids, odour, nutrients etc to comply with quality parameters. We also undertake tests on our refined rice bran oil for colour, stability, free fatty acid content and all statutory testing compliances as per FSSAI standards. The tests on refined rice bran oil are conducted on each batch manufactured during the refining process.

### **LIST OF MACHINERY**

Following is the list of major machinery installed at our manufacturing unit:

<b>Machine</b>	<b>Usage</b>	<b>Owned/Leased</b>
Nife Mixture *2	Mixes different chemical in their particular ratios	Owned
Retention Tanks *3	Holds Oil	Owned
Sort Mix *3 (West Falia)	Separates Gums from Crude oil	Owned
Vacuum Dryer	Removes moisture	Owned
Bleacher *2	Removes colour from degum oil	Owned
PLF *3 (80sqmm)	Separate bleaching agents from degum oil	Owned
Crystallizers *8 (25 tons each)	Crystallises degum oil with the help of cool water	Owned
VAM Chiller	for cooling and chilling of oil in crystallizers	Owned
Plate & Frame filter *4	Separates wax from oil (wax extraction and cleaning is manual)	Owned
Mayura Filter *2	Separates wax from oil (wax extraction and cleaning is automatic)	Owned
DEO *2	Separates FFA from Dewax oil at high temperature	Owned
PHE *10	For maintaining required temperature in vessels	Owned
All other intermediary vessels (in plant)	Holds oil in different temperature as per requirement	Owned
Weigh Bridge (60tons)	used to weigh tankers as well as trucks of different capacities	Owned
High Pressure wax press with 2 crystallizers	Removes oil from wax	Owned
Neutralizers*4	Removes oil from gums by heating	Owned
MS tanks *2 (500 mt tons)	Holds Crude Oil	Owned
MS tanks *1 (300 mt tons)	Holds Refined oil	Owned
MS tanks *2 (300 mt tons)	Holds Dewaxed oil	Owned
MS tank *1 (100 mt tons)	Holds Refined oil	Owned

SS tank *1 (100 mt tons)	Holds Refined oil	Owned
SS tank *1 (100 mt tons)	Holds FFA	Owned
Water tube boiler (6 tons)	steam boiler	Owned
Thermo fluid Boiler (6 lacs Calories)	Thermofluidicboiler	Owned
Generator (500 KVA)	Alternate power	Owned
Fully Equipped Lab	For testing	Owned

### Capacity Installed and Capacity Utilisation

Set forth below is the detail of the installed and utilized capacity of our manufacturing unit for the last three years.

Financial Year	Installed Capacity (in MTPA)	Utilized Capacity (in MTPA)	Percentage of utilization (%)
2021-2022	37,500	-	-
2022-2023	37,500	9,093.85	24.25%
2023-2024	37,500	17,607.54	46.95%
June 30, 2024	9,375	4,758.00	50.75%

### HUMAN RESOURCE

Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, along with assurance of quality.

Department wise bifurcation of our employees as of June 30, 2024 has been provided below:

Sr. No.	Division / Department	Number of Employee
1.	Manager	1
2.	Accountant	1
3.	Electrician	2
4.	Helper Plant	2
5.	Lab Chemist	2
6.	Office Staff	2
7.	Plant Fitter	1
8.	Plant Operator	6
9.	Marketing & Business Development	1
	<b>Total</b>	<b>18</b>

### **UTILITIES**

#### **Power**

The electricity for our manufacturing unit is sourced from West Bengal State Electricity Board. Adequate power is available for office from West Bengal State Electricity Board.

#### **Water**

Adequate arrangements with respect to water requirements is available at the registered office and manufacturing unit of our Company which are sourced from ground water.

### **COLLABORATIONS**

As on date of this Draft Prospectus, we have not entered into any technical or financial collaborations or agreements.

#### **Export and Export Obligation**

Our Company does not have any export obligation as on date.

## Insurance

We generally maintain insurance covering our stocks, machineries and assets at such levels that we believe to be appropriate. As on the date of the Draft Prospectus, we have the following insurance policy:


S. No.	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (₹ in Lakhs)
1.	United India Insurance Company Limited	Water Tube Boiler	0318014423P106157701	06/08/2024	47.00
2.	United India Insurance Company Limited	Machinery SI	0318014423P106157779	06/08/2024	150.75
3.	United India Insurance Company Limited	Equipments	0318014423P106158023	06/08/2024	15.00
4.	United India Insurance Company Limited	Crude Rice Bran Oil, Refine Rice Bran Oil, Hexane, Rice Bran, De Oiled Rice Bran	0318012124P102619808	21/05/2025	2,500.00
5.	United India Insurance Company Limited	Contents and Building	0318011124P100160572	31/03/2025	3,000.00

## MARKETING, BRANDING & ADVERTISING

Our success lies in the strength of our relationship with our clients and providing client specific products to achieve the clients objective. We continuously make follow-ups to clients, set-up meetings and track record, in order to garner clients, also focus on direct understanding of client's requirements. Due to strong network and expertise in the industry, we have been able to get repeated orders from our existing clients. The efficiency of the marketing and sales network is critical success factor of our Company. Our marketing team also play an instrumental role in creating and expanding the sales network of our Company and increasing our customer base. Our sales teams have helped us in achieving a mix of clientele spread across multiple industries and multiple geographies. Our sales and marketing team comprises of one personnel.

## INTELLECTUAL PROPERTY RIGHTS

As on date of this Draft Prospectus, our Company has made the following application for registering our trademark:

Sr. No.	Particulars	Trademark Application	Date of Application	Class	Status
1.		6521933	July 11, 24	29	Formalities Check Pass

## INFRASTRUCTURE AND FACILITIES

### Registered Office and Manufacturing Unit

#### Swasth Foodtech India Limited

Baro Chowmata Belari,  
Guskara, Purba Burdwan,  
Bardhaman, Burdwan – 713 141,  
West Bengal, India.

All our facilities including our in-house quality laboratory, Quality Division sales and marketing team and warehouse are housed in our manufacturing unit.

## **TRANSPORTATION**

Our raw materials are supplied and delivered by our suppliers at our manufacturing unit. Further, most of our institutional customers, pick up the finished products from our manufacturing units and therefore our Company is not required to arrange for logistical transport for our raw materials and finished products. However, some of our customers, do insist on us delivering the final products at their units, for which our Company engages third party transport providers.

## **LAND AND PROPERTY**

We carry out our business operations from the following properties:

### **i) Freehold Property**

<b>Sr. No.</b>	<b>Particulars of the Property</b>	<b>Usage</b>
1.	Baro Chowmata Belari, Guskara, Purba Burdwan, Bardhaman, Burdwan – 713 141, West Bengal, India	Registered Office and Manufacturing unit

### **ii) Leave and License Agreements**

Our Company does not have any property which is held on leave and license basis.

We confirm that there are no conflict of interest between the lessor of the immovable properties, (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and Group Company and its directors.

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## KEY INDUSTRIAL REGULATIONS AND POLICIES

*The following is an indicative summary of certain relevant industry specific laws, regulations and policies which are applicable to our business and operations in India. The information available in this section has been obtained from publications available in the public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law, which are subject to amendments or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions.*

### A. INDUSTRY SPECIFIC LEGISLATIONS

#### ***The Food Safety and Standards Act, 2006***

The Food Safety and Standards Act, 2006 (the “**FSS Act**”) is the primary legislation in India relating to food and the corresponding safety standards. The FSS Act inter-alia mandates that no food business operator shall himself or by any person on his behalf manufacture, store, sell or distribute any article of food

- (i) which is unsafe; or
- (ii) which is misbranded or sub-standard or contains extraneous matter; or
- (iii) for which a licence is required, except in accordance with the conditions of the licence; and
- (iv) which is for the time being prohibited by the Food Authority or the Central Government or the State Government in the interest of public health.

Section 3(j) of the FSS Act defines ‘food’ and inter-alia includes packaged drinking water within the scope of the definition of ‘food’. Further, every person who carries on food business is required to obtain a license under the FSS Act. The Food Safety and Standards Authority of India (“**FSSAI**”) has been established under the FSS Act. The FSSAI has the power to regulate and monitor the manufacture, processing, distribution, sale and import of food so as to ensure safe food. It inter-alia has the power to regulate the quality control of articles of food imported in India, limits on use of additives, metals, drugs and anti-biotics in food, certification of bodies engaged in food safety management systems and food labelling standards. The FSSAI is obliged to provide scientific advice and technical support to the Central Government and the State Governments in framing the policies and rules in areas which have a direct or indirect bearing on food safety and nutrition. The FSS Act also provides power to the Food Safety Officer to enter and inspect any place where articles of food are manufactured, or stored for sale, or stored for the manufacture of any other article of food, or exposed or exhibited for sale and where any adulterant is manufactured or kept, and take samples of such articles of food or adulterant for analysis. Further, any person who whether by himself or by any other person on his behalf manufactures for sale or stores or sells or distributes or imports any article of food for human consumption which is sub-standard, shall be liable to a penalty which may extend to five lakh rupees. The FSSAI has also framed the several rules and regulations relating to food safety and standards with regard to sale, packaging and labelling, analysis, additives and contaminants.

In terms of the Food Safety and Standards (Food Recall Procedure) Regulations, 2017, every FBO engaged in manufacturing of food is required to have a food recall plan. The packaging done by a FBO is required to comply with the Food Safety and Standards (Packaging) Regulations, 2018, while labelling and display of prepackaged food items must comply with the Food Safety and Standards (Labelling and Display) Regulations 2020.

According to the Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations, 2018, an e-commerce FBO (which includes sellers and brand owner who display or offer their food products, through ecommerce, and providers of transportation services for the food products and/or providing last mile delivery transportation to the end consumers), is required to obtain central license from the concerned central licensing authority.

***FSSAI Guidance Note on ‘Food Hygiene and Safety Guidelines for Food Businesses during Coronavirus Disease (COVID- 19) Pandemic’ (“COVID-19 Guidance Note”)***

The COVID-19 Guidance Note was issued with an intent to provide guidance to food businesses, including their personnel involved in handling of food and other employees to prevent spread of COVID-19 in the work environment and any incidental contamination of food/food packages. It also provides guidance in relation to operative mechanism such as establishment of an inhouse emergency response team in large food businesses to deal with suspected infections effectively. It mandates that employers should have a COVID-19 screening protocol in place to screen all personnel entering the premise. All the employees or visitors should be screened at entry point for the symptoms of COVID-19 such as, among others, temperature (using non-contact type thermometer), cough, cold etc. The entrance shall mandatorily have measures installed for hand hygiene. Employees and food handlers should be encouraged to self-declare any symptoms of any respiratory illness before visiting the premises. To spread awareness and contain the spread of the disease, employers should employ and ensure compliance with numerous measures such as, among others, display of posters/standees/audio visuals on preventive measures for COVID-19, frequent usage of alcohol-based sanitizers, avoidance of close contact with symptomatic personnel, usage of face masks, and frequent cleaning and disinfection. Food sectors involved in food services, takeaways and deliveries shall ensure, among others, that the food service area shall be thoroughly cleaned and disinfected after every meal, hand wash facilities should be made available to the workers, employees wear a clean uniform, mask/face cover, gloves and head covers at all time, adoption of contactless delivery. The COVID-19 Guidance Note prescribes guidelines for management of the food establishment to handle a COVID-19 suspect/positive case in accordance with the guidelines issued by Ministry of Health and Family Welfare and clean and disinfect the premises accessed by the suspected case.

The COVID-19 Guidance Note mandates strict adherence to General Hygiene Practices specified under Schedule IV of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 (“Schedule IV”). Schedule IV enumerates multiple compulsory measures to be adopted by FBOs in the interest of human nutrition, safety, and hygiene. Schedule IV mandates that the premises shall be clean, adequately lighted, and ventilated, and sufficient free space for movement shall be made available. In relation to personal hygiene – all employees should wash their hands properly and they should be made aware of measures to avoid cross-contamination. Further, among other things, eating, chewing, smoking, spitting and nose blowing shall be prohibited within the premises especially while handling food, and persons suffering from infectious diseases shall not be permitted to work. Any cuts or wounds shall remain covered at all time and the person should not be allowed to come in direct contact with food.

#### ***Food Safety and Standards (Packaging Regulations), 2018 (the “Regulations”)***

The Food Safety and Standards Authority of India had in accordance with the powers conferred upon it under Section 23 of Food Safety and Standards Act, 2006 promulgated the Food Safety and Standards (Packaging and Labelling) Regulations, 2011 for packaging and labelling of food. On January 03, 2019, the Food Safety and Standards Authority of India (“FSSAI”) announced new regulations with respect to food packaging and divided these regulations into two regulations, (i) the Food Safety and Standards (Packaging) Regulations, 2018; and (ii) the Food Safety and Standards (Labelling and Display) Regulations, 2020. The Food Safety and Standards (Packaging) Regulations, 2018 replaced the packaging provisions of the Food Safety and Standards (Packaging and Labelling) Regulations, 2011. The new regulations include both general and specific requirements for packaging materials and in particular, they prescribe an overall migration limit of 60 mg/kg or 10 mg/dm<sup>2</sup> and specific migration limits for certain contaminants in plastic packaging materials. The regulations also specify that food packaging materials must now comply with Indian Standards (“IS”) listed in Schedules I, II, and III for paper and paperboard materials, metal and metal alloys, and plastic materials, respectively. Previously, compliance with the standards was voluntary. They are available for purchase through the Bureau of Indian Standards (“BIS”). Furthermore, the revised regulations ban both the use of recycled plastics in food packaging and the use of newspaper and such other materials for packing or wrapping of food articles. They also reference specific Indian Standards for printing inks for use on food packages. Schedule IV of the regulations is a list of suggested packaging materials for different food product categories.

The Regulations broadly prescribe the general and specific requirements which need to be followed while packaging food and food products. The general requirements to be adhered by a food manufacturer which packing food is that *inter alia* (i) the packaging material complied with the prescribed Indian Standards and wherever the Indian Standards are not available it should comply with the international standards; (ii) any material which comes in direct contact with food or likely to come in contact with food used for packaging, preparation, storing, wrapping, transportation and sale or service of food shall be of food grade quality; (iii) packaging materials shall be suitable for the type of



product, the conditions provided for storage and the equipment for filling, sealing and packaging of food as well as transportation conditions; (iv) packaging materials shall be able to withstand mechanical, chemical or thermal stresses encountered during normal transportation; (v) food products shall be packed in clean, hygienic and tamper-proof package or container; (vi) tin containers once used, shall not be re-used for packaging of food; (vii) plastic containers of capacity 5 liter and above and glass bottles, which are reused for packaging of food, shall be suitably durable, easy to clean or disinfect; (viii) printing inks for use on food packages shall conform to IS: 15495; (ix) printed surface of packaging material shall not come into direct contact with food products; (x) newspaper or any such material shall not be used for storing and wrapping of food; (xi) in case of multilayer packaging the layer which comes in direct contact with food or layers likely to come in contact with food shall meet the requirements of packaging materials specified in Schedule I, II and III of these regulations; (xii) the materials listed in Schedule I, II and III of these regulations shall be compatible with their intended use as a packaging material so as not to alter the quality and safety of the food product; (xiii) every food business operator shall obtain the certificate of conformity issued by National Accreditation Board for Testing and Calibration Laboratories (“NABL”) accredited laboratory against these regulations for the packaging material which comes in direct contact with food or layers likely to come in contact with food to be used.

The specific requirements have been diversified on the basis of the nature of the packaging material. The Regulations prescribe specific packaging requirements for the following packaging materials intended to come in contact with food products (i) paper and board materials; (ii) glass containers; (iii) metal and metal alloys; and (iv) plastic materials. The various standards to be met by the aforementioned packaging material have been prescribed under Schedules I to IV.

### ***Food Safety and Standards (Labelling and Display), 2020 (the “Regulations”)***

The Food Safety and Standards Authority of India (“FSSAI”) has notified Food Safety and Standards (Labelling and Display) Regulations, 2020, prescribing the labelling requirements of pre-packaged foods and display of essential information on premises where food is manufactured, processed, served and stored. According to the notification, the Food Business Operator (“FBO”) shall comply with all the provisions of these regulations after one year from the date of their publication in the Official Gazette except Chapter 3 (display of information in food service establishments) of these regulations, to which Food Business Operator shall comply by January 1, 2022. The Regulations also introduce the concept of ‘principal display panel’, which refer to the part of the container/package which is intended or likely to be displayed or presented or shown or examined by the customer under normal and customary conditions of display, sale or purchase of the food article contained therein and is typically the first thing a consumer will see when they look at the product. Chapter 1 of the Regulations, prescribes the labelling requirements of pre-packaged foods and display of essential information on premises where food is manufactured, processed, served and stored; Chapter 2 covers the general requirements of labelling of prepackaged foods such as Name of food, Name of food, List of ingredients, Nutritional information, Calculation of Nutrients; Chapter 3 of the regulation contains Display of information in food service establishments; Chapter 4 indicates Labelling Requirements of non-retail container; Chapter 5 of regulation mentions of Labelling of packaged Food Additives for Retail Sale and Schedule II has been set out with mandatory labelling declaration for various food products.

The Regulations prescribe general and specific requirements to be adhered to by a FBO while packaging and labelling a food product, the key requirements have been detailed below:

- Food products sold through e-commerce or any other direct selling means; the Regulation mandates the requirement that the label must be provided to the consumer through appropriate means before sale.
- Where an ingredient is itself the product of two or more ingredients, such a compound ingredient must be declared, by their specific names; in the list of ingredients, or by declaring all of the ingredients of compound ingredient as if they were individual ingredients of the final food. Where a compound ingredient constitutes less than 5 per cent. of the food, the ingredients, other than food additives that serve the technological function in the food products, the same is not required to be declared.
- Every package of food material which is not meant for human consumption shall bear a declaration to this effect by a specified symbol of a black colour cross inside a square with black outline.
- In case of alcoholic beverages, a declaration is required to be provided on the label providing the details of the manufacturer/ importer, etc. The format of providing the declaration is, “Bottled by” or “Blended and Bottled by

“or “Imported and Bottled by”, or “Distilled and Bottled by”.

- The FSSAI logo and license number of the brand owner must be displayed on the label. In addition, the license number of the manufacturer or marketer or packer or bottler, as the case may be, if different from the brand owner, must also be displayed on the label. For imported food products, the importer must display FSSAI logo and license number along with name and address of importer.
- FBOs must display on all their premises, where food is stored, processed, distributed or sold, the Registration/License No. or Food Safety Display Board if specified, along with other information as may be specified by the FSSAI at a prominent place in the premises.
- Provisions are included with regard to declarations to be made on foods and ingredients which are known to cause allergy. Food Service Establishments must mention the following against the food items displayed on the menu cards or boards: information relating to food allergens as prescribed. Allergens may also be depicted by easy-to-understand symbols, logo for veg or non-veg. Under the provisions with regard to Labelling Requirements of non-retail container an additional declaration requirement is introduced- Name and address of the manufacturer or packer (including country of origin for imported packages).

### ***The Essential Commodities Act, 1955 (“ECA”)***

The ECA gives powers to the Central Government, to control production, supply and distribution of trade and commerce in certain essential commodities for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Using the powers under it, various ministries/ departments of the Central Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The State Governments have also issued various control orders to regulate various aspects of trading in essential commodities such as food grains, edible oils, sugar and drugs. Penalties in terms of fine and imprisonment are prescribed under the ECA for contravention of its provisions.

### ***The Prevention of Food Adulteration Act, 1954***

The Prevention of Food Adulteration Act, 1954 is the basic statute intended to protect the common consumer against supply of adulterated food and specifies different standards on various articles of food. The standards are of minimum quality level intended for ensuring safety in the consumption of these food items and for safeguarding against harmful impurities, adulteration etc. Provisions of the Act are mandatory and contravention of the Rules can lead to both fine and imprisonment.

The standards of quality of various food articles have been specified in Appendix B to the Prevention of Food Adulteration Rules, 1955. Manufacture, sale, stocking, distribution or exhibition for sale of any article of food, including prepared food or ready to serve food, cannot be done by any person except under a licence.

### ***Standards of Weights and Measures Act, 1976***

The Standards of Weights and Measures Act, 1976 (the “*Act*”) was enacted to regulate trade or commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and to provide for such matters as may be connected thereto. The Act enumerates the specific base units to measure goods and products. Any offence under this Act is punishable with imprisonment or fine or with both based on the type of violation.

### ***The Legal Metrology Act, 2009 (“Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011***

The Legal Metrology Act was enacted to establish and enforce standards of weights and measures and to regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. It repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. Making use of any numeration not in accordance with the standards of weights and measures prescribed under the Legal Metrology Act may be punished by a fine which may extend to ₹25,000 and for the second

or subsequent offense, with imprisonment for a term not exceeding six months and also with fine. Any transaction, deal or contract in contravention of the standards of weights and measures prescribed by the government may be punished with fine which may extend to ₹ 10,000 and for the second or subsequent offence, with imprisonment for a term which may extend to one year, or with fine, or both. The Legal Metrology Act permits the central government to make rules thereunder to carry out provisions of the Act. Further, states may, after consultation with the central government, frame state specific rules under this Act to provide for the time limits for verification of weights and measures, maintenance of registers and records, manner of notifying government authorities, fees for compounding of offences etc.

The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export of packaged commodities and also provide for registration of manufacturers, packers and importers. Also, the Legal Metrology (Government Approved Test Centre) Rules, 2013 have laid down specifications about verification of weights and measures specified therein by government approved test centre.

### ***Consumer Protection Act, 2019***

The Consumer Protection Act, 2019 (“COPRA”) will repeal the existing Consumer Protection Act, 1986, and shall come into force on such date as the Central Government may, by notification, appoint. The Consumer Protection Act, 1986 provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA will, inter alia, introduce a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The COPRA will bring e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online market place or online auction sites. The COPRA will also provide for mediation cells for early settlement of the disputes between the parties.

### ***Shops and Establishments Legislations***

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

### ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (the “T.P. Act”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights

and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

### ***Sale of Goods Act, 1930***

The Sale of Goods Act, 1930 (the “*Sale of Goods Act*”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

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

The Registration Act, 1908 (the “*Act*”) was passed to consolidate all the previous legislations which were enacted in relation to the registration of documents. This Act was promulgated to achieve the purpose of maintaining a proper regulatory record of transactional documents with a recognized officer in order to safeguard the original copies. The Act lays down two types of registration of documents, one being mandatory registration, which has been laid down under Section 17 of the Act and relates to documents such as, *inter alia* gift deed or transfer deed for an immovable property, non-testamentary instruments purporting to an interest in any immovable property, leasing or renting an immovable property. The other type of registration has been laid down under Section 18 of the Act which provides for the category of documents, registration of which is optional or discretionary and include, wills, instrument for transfer of shares, adoption deeds, etc. Failure to register a document under Section 17 of the Act can attract severe consequences, including declaration of invalidity of the transfer in question; however, no such consequence is attracted in case of Section 18 of the Act. Sections 28 and 31 of the Act provide the sub-registrars and other officers, the authority to register documents under this Act. Registration of a document, provides authenticity to a document and also acts as a conclusive proof in relation to the execution of such a document in the court of law.

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

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list mentioned in the Seventh Schedule of the Constitution of India, is governed by the provisions of the Indian Stamp Act, 1899 (the “*Act*”), all others instruments are required to be stamped, as per the rates laid down by the State Governments. Stamp duty is required to be paid on such category of transaction documents laid down under the various laws of the states, which denotes that stamp duty was paid before the document became legally binding. The stamp duty has to be paid on such documents or instruments and at such rates which have been specified in the First Schedule of the Act. Instruments as mentioned in the said schedule of the Act, if are not duly stamped are not admissible in the court of law as valid evidence for the transaction contained therein. The Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the relevant authorities and validated by imposing of penalty on the parties. The amount of penalty payable on such instruments may vary from state to state.

### ***The Indian Boiler Act, 1923***

The Indian Boiler Act expressly provided in the Act that no owner of a boiler shall use the boiler or permit it to be used unless it has been registered in accordance with the provisions of this Act. The Act Further provides that any owner of a boiler who, in any case in which a certificate or provisional order is required for the uses of the boiler under this Act, uses the boiler either without any such certificate or order being in force or at a higher pressure than that allowed thereby, shall be punishable with fine which may extend to five hundred rupees, and in the case of a continuing offence, with an additional fine which may extend to one hundred rupees for each day after the first day in regard to which he is convicted of having persisted in the offence.

### ***The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):***

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

## **B. TAX RELATED LAWS**

The tax related laws that are applicable to our Company include the Customs Act, 1962, the Income Tax Act, 1961, the Income Tax Rules, 1962 and GST which includes the Central Goods and Services Tax Act, 2017, various State Goods and Services Tax legislations, and the Integrated Goods and Services Tax Act, 2017.

## **C. ENVIRONMENT RELATED LAWS**

### ***Environment (Protection) Act, 1986 (the “EP Act”), Environment (Protection) Rules, 1986 (the “EP Rules”) and Environmental Impact Assessment Notification, 2006 (“EIA Notification”)***

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of environmental pollutants. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations. Further, the EP Rules specify, *inter alia*, the standards for emission or discharge of environmental pollutants and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

### ***National Environmental Policy, 2006***

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

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

The Water (Prevention and Control of Pollution) Act, 1974 (“**Water Act**”) aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using of any new or altered outlet for the discharge of sewage or causing new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

### ***Air (Prevention and Control of Pollution) Act, 1981***

The Air (Prevention and Control of Pollution) Act, 1981 (“**Air Act**”) provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to

establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of 4 months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

#### **D. INTELLECTUAL PROPERTY LAWS**

##### ***Trade Marks Act, 1999***

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“**Trade Mark Act**”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled, and may be renewed indefinitely upon payment of renewal fees every ten years. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trade Mark (Amendment) Act, 2010 has been enacted by the Government to amend the Trade Mark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

In March 2017, the Trade Marks Rules, 2017 (“**Trade Mark Rules**”) were notified, in supersession of the Trade Marks Rules, 2002. The Trade Marks Rules brought with them some changes in the application process, in terms of an increase in application fees and common formats for multiple kinds of applications. However, the e-filing process has been incentivized by providing lower application fees.

#### **E. FOREIGN TRADE RELATED LAWS**

##### ***Foreign Trade (Development and Regulation) Act, 1992, as amended (“Foreign Trade Act”)***

The Foreign Trade Act empowered the Central Government to make provisions for the development and regulation of foreign trade by way of facilitating imports into as well as augmenting exports from the country and in all other matters related to foreign trade. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. It is authorised to periodically formulate the Indian Foreign Trade Policy, 2015-20 (“Foreign Trade Policy”) and amend it thereafter whenever it deems fit. All exports and imports are required to be in compliance with this policy. The Foreign Trade Policy provides for certain schemes for the promotion of export of finished goods and import of inputs. The Foreign Trade Act, read with the Foreign Trade Policy, also provides that no person or company can make exports or imports without having obtained an importer exporter code (IEC) number unless such person or company is specifically exempted. The IEC shall be valid until it is cancelled by the issuing authority.

##### ***The Foreign Exchange Management Act, 1999 (“FEMA”) and regulations framed thereunder***

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEMA Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be

done before such supersession. The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

The total holding by each FPI or an investor group, shall be less than 10 percent of the total paid-up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall not exceed 24 per cent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

With effect from April 1, 2020, the aggregate limit shall be the sectoral caps applicable to Indian companies as laid out in paragraph 3(b) of Schedule I of FEMA Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. Further, in accordance with Press Note No. 4 (2020 Series), dated October 15, 2020 issued by the DPIIT, all investments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time.

## **F. EMPLOYMENT RELATED LAWS**

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Draft Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India. A brief summary of the aforementioned laws have been provided below:

### ***The Code on Wages, 2019***

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

### ***The Occupational Safety, Health and Working Conditions Code, 2020***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### ***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The Central Government has notified certain provisions of this code.

### ***Factories Act, 1948***

The Factories Act, 1948 (the "***Factories Act***") regulates the provisions relating to labour employed in factories. This Act defines a factory as any premises on which ten or more workers are employed or were employed on any day of the previous twelve (12) months, and on which a manufacturing process is being carried on with the aid of power, or a premises on which twenty or more workers are employed or were employed on any day of the previous twelve (12) months and on which a manufacturing process is carried on ordinarily without the use of power. The Factories Act provides for the health, safety, and welfare of all workers and requires that the '*Occupier*' (defined as the person who has ultimate control over the affairs of the factory and in case of a company, any one of the directors) ensures that all the workers are within safe working conditions while they are in the factory, and are not exposed to any health risks and that they receive adequate instruction, training and supervision to ensure the same. The Factories Act also makes provisions relating to the employment of women and young persons (including children and adolescents), annual leave with wages, etc.

The Factories Act requires an Occupier of a factory to obtain approval, license, and registration for running and qualifying as a factory under the Factories Act, by submitting the application along with plans and specifications to the State Government or the Chief Inspector. Unless this permission from the Chief Inspector is obtained, no building can be constructed or taken in use as a factory or a part of an existing factory. The Chief Inspector may, on receipt of the said application and on being satisfied that there is no objection to the grant of license applied for, register the factory and grant the license to the applicant to use as factory such premises as are specified in the application and subject to compliance with such conditions as are specified in the license.

Any contravention of the provisions of the Factories Act or the rules framed thereunder may lead to imprisonment of the manager or the Occupier of the factory for a term up to two (2) years or with a fine of ₹ 100,000 or both, and in case of continuing contravention even after conviction, with a fine of up to ₹ 1,000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall be not less than ₹ 25,000 and ₹ 5,000 respectively.



### ***Industries (Development and Regulation) Act, 1951***

The Industries (Development and Regulation) Act, 1951 (the “**Act**”) governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Act is applicable to the ‘*Scheduled Industries*’ which have been listed down in the first schedule of the Act and small-scale industrial undertakings and ancillary units are exempted from the provisions of the Act.

The Act regulated the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. This Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion. This department is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

In addition to above, we are subject to a wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees’ (Provident Fund and Miscellaneous Provision) Act, 1952.

### ***Industrial Employment (Standing Orders) Act, 1946***

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

### ***Contract Labour (Regulation and Abolition) Act, 1970, as amended (the “CLRA Act”)***

The CLRA Act requires the principal employer of an establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour, to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen, is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

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

Under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee’s provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee’s contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### ***Employees State Insurance Act, 1948, as amended (the “ESIC Act”)***

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### ***Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)***

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions. Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed ₹ 1 million.

### ***Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015,***

The Apprentices Act, 1961 was enacted with the objective of regulating the program of training of apprentices in the industry by utilizing the facilities available therein for imparting on-the-job training. The National Policy of Skill Development and Entrepreneurship 2015, launched by the Hon’ble Prime Minister on 15th July, 2015, focuses on apprenticeship as one of the key program for creating skilled manpower in India. The Apprentices Act, 1961 makes it obligatory for employers to engage apprentices under a duly executed contract, in designated trades and in optional trades. Directorate General of Training (DGT) under Ministry of Skill Development & Entrepreneurship monitors the implementation of the scheme of apprenticeship training. All establishments having work force (regular and contract employees) of 30 or more are mandated to undertake Apprenticeship Programs in a range from 2.5% -15% of its workforce every year.

### ***Fire Prevention Laws***

The state legislatures in India have enacted legislations for fire control and safety, which are applicable to our properties established in the respective states. They impose the requirement of obtaining no-objection certificate from the concerned authorities. They also include provisions in relation to provision of fire safety and life saving measures by occupiers of buildings and penalties for non-compliance.

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

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

In addition to the above, our Company is also required to comply with other applicable laws and regulations imposed by the Central and State Governments and other authorities for its day-to-day operations, including the Companies Act and rules framed thereunder, municipal laws, to the extent applicable. Our Company is also amenable to various central and state tax laws.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated under the name 'Swasth Foodtech India Private Limited', pursuant to a certificate of incorporation dated February 2, 2021 issued by the Deputy Registrar of Companies, Registrar of Companies, Central Registration Centre. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in their meeting held on January 27, 2024 and by the Shareholders in an Extraordinary General Meeting held on February 21, 2024 and a fresh certificate of incorporation dated May 20, 2024 was issued by the Registrar of Companies, Central Registration Centre. Consequent to the conversion of our Company, the name of our Company was changed to 'Swasth Foodtech India Limited'. The corporate identification number of our Company is U15490WB2021PLC242881.

### Change in registered office of our Company

The Registered Office of our Company at the time of incorporation was situated at Baro Chowmata Belari, Guskara, Purba Bardwan, Bardhaman – 713 141, West Bengal, India. Our Company has not changed its Registered Office since incorporation.

### Main Objects of our Company

The main objects of our Company are as follows:

- To manufacture, carry on the business of extractions of oil by mechanical, electrical, physical or chemical means from all or any of the following finds and or types of commodities viz. rice bran, all types of oil cakes and all kinds of oil bearings, seeds and nuts, Deal in organic food and vegetables and pesticides and fertilizers manufacturers of crude oil, refined oil, perfumed and all other types of oils and extracting liythin and other by-products and. manufacturing from oils, cattle and poultry feeds, fish feeds, farm manure other allied materials for the attainment of objects herein contained. Refine, prepare, treat, purchase, sell, import, export, store, distribute or otherwise deal in either as principals or as agents or in collaboration with others all or any of the following, viz., rice bran, oil cakes and seeds, nuts, soaps, de-oiled cake and all other types and kinds of ingredients for the attainment of objects herein contained. Carry on the business of manufacturing, recycling, processing, buying, selling, exporting, importing, dealing in washed, refined, edible and non-edible oil, brans and oil cakes, de-oiled cake of any nature and kind whatsoever, hydrogenated oils, oil substitutes, glycerine, fatty acids. lubricating, oils, greases and oil preparations and by products including linters, hardened oils, vanaspati, margarine, edible proteins and to act as Export / Import House. Retail distribution of food and oil packing in small packages. To develop own ecommerce platform.*

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

### Amendments to the Memorandum of Association

The following amendments have been made to the Memorandum of Association of our Company since its incorporation:

<b>Date of shareholder's resolution</b>	<b>Nature of amendments</b>
March 2, 2021	<i>Clause V of the MoA was amended to reflect an increase in the Authorised Capital of our Company from ₹ 15,00,000 divided into 1,50,000 Equity Shares of ₹ 10 each to ₹ 3,00,00,000 divided into 30,00,000 Equity Shares of ₹ 10 each.</i>
July 6, 2022	<i>Clause V of the MoA was amended to reflect an increase in the Authorised Capital of our Company from ₹ 3,00,00,000 divided into 30,00,000 Equity Shares of ₹ 10 each to ₹ 4,00,00,000 divided into 40,00,000 Equity Shares of ₹ 10 each.</i>
February 22, 2023	<i>Clause V of the MoA was amended to reflect an increase in the Authorised Capital of our Company from ₹ 4,00,00,000 divided into 40,00,000 Equity Shares of ₹ 10 each to ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each.</i>

<b>Date of shareholder's resolution</b>	<b>Nature of amendments</b>
February 21, 2024	<i>Our Company was converted from a private limited company into a public limited. Consequently, Clause I of the MoA was amended to "Swasth Foodtech India Limited", to reflect the conversion of our Company.</i>
July 11, 2024	<i>Clause V of the MoA was amended to reflect an increase in the Authorised Capital of our Company from ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each to ₹ 7,00,00,000 divided into 70,00,000 Equity Shares of ₹ 10 each.</i>

### **Corporate profile of our Company**

For details regarding the description of our Company's activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key services, entry in new geographies or exit from existing markets, major distributors and customers, segment, marketing and competition, please refer to the chapters titled "Our Business", "Our Management" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 112, 141 and 209 respectively, of this Draft Prospectus.

### **Major Events and Milestones**

The table below sets forth some of the key events, milestones in our history since its incorporation.

<b>Year</b>	<b>Events</b>
2022	Commenced commercial production
2023	Crossed Turnover of Rs. 100.00 Crores

### **Awards and Accreditations**

Our Company has not received any key awards in its history since its incorporation.

### **Time and Cost Overrun**

Our Company has not experienced any significant time and cost overrun in setting up projects.

### **Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks**

As of date of this Draft Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

### **Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation**

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years.

### **Revaluation of assets**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

### **Holding Company**

As on the date of this Draft Prospectus, our Company does not have a holding company.

### **Our subsidiary, associate or joint venture**

As on the date of this Draft Prospectus, our Company does not have any subsidiaries.

**Associate or Joint ventures of our Company**

As on the date of this Draft Prospectus, our Company does not have any joint ventures or associate companies.

**Strategic and Financial Partners**

As on date of this Draft Prospectus our Company does not have any strategic and financial partners.

**Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

**Agreements with key managerial personnel or a Director or Promoter or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

**Guarantees given by Promoter offering its shares in the Offer for Sale**

Except as stated in “*Financial Indebtedness*” on page 223 of this Draft Prospectus, our Promoter have not given any guarantees on behalf of our Company.

**Material Agreements**

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

We confirm that there are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non disclosure of which may have bearing on the investment decision.

## OUR MANAGEMENT

### Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than three (3) and not more than fifteen (15). As on date of this Draft Prospectus, we have six (6) Directors on our Board, which includes one (1) Managing Director, two (2) Whole-time Directors, one (1) Non-Executive Director and two (2) Independent Directors. Our Company has two women directors, who have been appointed as Non-Executive Director and Independent Director, respectively.

Set forth below, are details regarding our Board as on the date of this Draft Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Dilip Chhajer</b></p> <p><b>DIN:</b> 00668288</p> <p><b>Date of Birth:</b> November 1, 1967</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of three (3) years with effect from July 10, 2024 until July 9, 2027</p> <p><b>Period of Directorship:</b> Director since incorporation</p> <p><b>Nationality:</b> Indian</p>	56	<p style="text-align: center;"><i>Companies</i></p> <p>1. Chhajer Agro Products Private Limited 2. Infine Exports Private Limited 3. Shelter Trading Business Private Limited</p> <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <p style="text-align: center;">Nil</p>
<p><b>Shrey Jain</b></p> <p><b>DIN:</b> 09049568</p> <p><b>Date of Birth:</b> October 31, 1998</p> <p><b>Designation:</b> Whole-time Director and Chief Financial Officer</p> <p><b>Address:</b> New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of three (3) years with effect from July 10, 2024 until July 9, 2027</p> <p><b>Period of Directorship:</b> Director since incorporation</p> <p><b>Nationality:</b> Indian</p>	25	<p style="text-align: center;"><i>Companies</i></p> <p>Chhajer Agro Products Private Limited</p> <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <p style="text-align: center;">Nil</p>
<p><b>Lakshay Jain</b></p> <p><b>DIN:</b> 09049569</p>	21	<p style="text-align: center;"><i>Companies</i></p> <p style="text-align: center;">Nil</p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Date of Birth:</b> August 1, 2002</p> <p><b>Designation:</b> Whole-time Director</p> <p><b>Address:</b> New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of three (3) years with effect from July 10, 2024 until July 9, 2027</p> <p><b>Period of Directorship:</b> Director since incorporation</p> <p><b>Nationality:</b> Indian</p>		<p><i>Limited Liability Partnerships</i></p> <p>Nil</p>
<p><b>Vandana Chhajer</b></p> <p><b>DIN:</b> 02539865</p> <p><b>Date of Birth:</b> October 12, 1970</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Director since incorporation</p> <p><b>Nationality:</b> Indian</p>	53	<p><i>Companies</i></p> <p>Nil</p> <p><i>Limited Liability Partnerships</i></p> <p>Chhajer Realty LLP</p>
<p><b>Silpi Agarwal</b></p> <p><b>DIN:</b> 07213421</p> <p><b>Date of Birth:</b> July 5, 1986</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 18/A, Sagar Dutta Ghat Road, Kamarhati (M), North 24, Parganas- 700 058, West Bengal, India.</p> <p><b>Occupation:</b> Company Secretary</p> <p><b>Term:</b> A period of five (5) years with effect from July 11, 2024 until July 10, 2029</p> <p><b>Period of Directorship:</b> Director since July 11, 2024</p> <p><b>Nationality:</b> Indian</p>	38	<p><i>Companies</i></p> <p>1. Sweet Property Solutions Private Limited</p> <p><i>Limited Liability Partnerships</i></p> <p>Nil</p>
<p><b>Chandan Gupta</b></p> <p><b>DIN:</b> 08655931</p>	35	<p><i>Companies</i></p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Date of Birth:</b> January 30, 1989</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 545, G.T. Road, Howrah Store, Howrah Maidan, Bally Jagachha, Haora – 711 101, West Bengal, India.</p> <p><b>Occupation:</b> Service</p> <p><b>Term:</b> A period of five (5) years with effect from July 11, 2024 until July 10, 2029</p> <p><b>Period of Directorship:</b> Director since July 11, 2024</p> <p><b>Nationality:</b> Indian</p>		<ol style="list-style-type: none"> <li>1. SKB realtors Private Limited;</li> <li>2. NSI (India) Limited;</li> <li>3. Merrygold Mercantiles Limited;</li> <li>4. Poddar Projects Limited; and</li> <li>5. Indong Tea Company Limited</li> </ol> <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <p style="text-align: center;">Nil</p>

### Brief Biographies of our Directors

**Dilip Chhajer**, aged 56 years, is the Promoter and Managing Director of our Company. He attended University of Calcutta to pursue bachelor’s degree in commerce. He has been associated with our Company since its incorporation. He is a director on the board of Shelter Trading Business Private Limited, Infine Exports Private Limited and Chhajer Agro Products Private Limited. In the past, he was associated with Kanduri Cold Storage Private Limited and with Birbhum Agro Products Private Limited in the capacity of a director. He is having more than 25 years of experience in the field of manufacturing, trading of edible oil, related products, cold storage and trading of agriculture crops. He is the main driving force behind the Company and responsible for overall management of the Company. He has played a key role in growth and development of the Company to the present level. He is responsible for overall management and supervision of operations of our Company.

**Shrey Jain**, aged 25 years, is the Promoter, Whole-time Director and Chief Financial Officer of our Company. He holds bachelor’s degree in business administration from Christ (Deemed to be university) and also holds executive post graduate diploma in business management- finance from Symboisis Centre for Corporate Education, Pune. In the past, he was associated with Wipro Limited, where he joined as a financial analyst and was relieved in the capacity of a senior executive. He has experience of more than five in accounts and finance management. He has been associated with our Company since its incorporation. Shrey Jain is a distinctive growth strategist and has played a pivotal role in creating the vision of the company. He has transformed the company’s outlook from a single business organization to multiple revenue-centric businesses. He heads the accounts and finance division of our Company.

**Lakshay Jain**, aged 21 years, is a Promoter and Whole-time Director of our Company. He has attended Thapar Institute of Engineering & Technology to pursue a bachelor’s degree in engineering. He has been associated with our Company since its incorporation. He is a distinctive growth strategist and has played a pivotal role in creating the vision of the company. He has transformed the company’s outlook from a single business organization to multiple revenue-centric businesses. Presently, he is overseeing the production of our Company.

**Vandana Chhajer**, aged 53 years, is a Non-Executive Director of our Company. She attended Lalit Narayan Mithila Vishwavidyalaya, Darbhanga to pursue bachelor’s degree in arts. She has been associated with our Company since incorporation. She has more than three years of experience in management and administration.

**Silpi Agarwal**, aged 38 years, is an Independent Director of our Company. She holds a bachelor’s degree in commerce from University of Calcutta. She is an associate member of the Institute of Company Secretaries of India. Currently, she is working as a company secretary in Sweet Property Solutions Private Limited and has more than eight years of experience in corporate law compliance, litigation and accounting. She has been associated with our Company since July 11, 2024.



**Chandan Gupta**, aged 35 years, is an Independent Director of our Company. He holds master’s degree in commerce from Sikkim Manipal University. He is an associate member of the Institute of Company Secretary of India. In the past, he was associated with Hanuman Plantation Limited; with Dhanlukshmi Textile Limited in the capacity of Company Secretary and he is currently associated with Indong Tea Company Limited in the capacity of Company Secretary. He has more than five years of experience in in the field of accounting, corporate law compliances and legal matters. He has been associated with our Company since July 11, 2024.

**As on the date of the Draft Prospectus**

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) during his/her tenure.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

**Relationship between our Directors**

Except as disclosed below, none of the Directors of our Company are related to each other:

Name of Director	Designation	Relation
Dilip Chhajer	Managing Director	Spouse of Vandana Chhajer and father of Shrey Jain and Lakshay Jain
Vandana Chhajer	Non-Executive Non-Independent Director	Spouse of Dilip Chhajer and mother of Shrey Jain and Lakshay Jain
Shrey Jain	Whole-time Director and Chief Financial Officer	Son of Dilip Chhajer and Vandana Chhajer and brother of Lakshay Jain
Lakshay Jain	Whole-time Director	Son of Dilip Chhajer and Vandana Chhajer and brother of Shrey Jain

**Arrangements and Understanding with Major Shareholders**

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Company, Key Managerial Personnel and Directors.

**Payment or Benefit to officers of our Company**

Except as stated otherwise in this Draft Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company’s officers except remuneration of services rendered as Directors, officers or employees of our Company.

**Service Contracts**

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

### **Borrowing Powers of our Board**

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to an -special resolution passed at the Annual General Meeting held on July 11, 2024, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, such sum or sums of moneys as the Board which together with the moneys already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed at any time the aggregate of the paid-up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed ₹ 10,000 lakhs.

### **Terms of appointment and remuneration of our Managing Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on July 10, 2024 and approved by the Shareholders of our Company at an EGM held on July 11, 2024, Dilip Chhajer was designated as the Managing Director of our Company for a period of three (3) years with effect from July 10, 2024 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

<b>Basic Salary</b>	₹ 1,00,000 per month
<b>Perquisites</b>	<p><b>Category A:</b></p> <ol style="list-style-type: none"> <li>1. Medical Reimbursement for self and family as per the rules of the Company.</li> <li>2. Leave Travel Reimbursement of domestic &amp; foreign along with family as per the rules of the Company.</li> </ol> <p><b>Category B:</b></p> <ol style="list-style-type: none"> <li>3. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.</li> <li>4. Encashment of leave as per the rules of the Company.</li> </ol> <p><b>Category C:</b></p> <ol style="list-style-type: none"> <li>5. Car, telephone at residence and mobile phone for use on Company's business.</li> </ol>

### **Terms of appointment and remuneration of our Whole-time Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on July 10, 2024 and approved by the Shareholders of our Company at an EGM held on July 11, 2024, Shrey Jain was designated as the Whole-time Director and Chief Financial Officer of our Company for a period of three (3) years with effect from July 10, 2024 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

<b>Basic Salary</b>	₹ 50,000 per month
<b>Perquisites</b>	<p><b>Category A:</b></p> <ol style="list-style-type: none"> <li>1. Medical Reimbursement for self and family as per the rules of the Company.</li> </ol>

	<p>2. Leave Travel Reimbursement of domestic &amp; foreign along with family as per the rules of the Company.</p> <p><b>Category B:</b></p> <p>3. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.</p> <p>4. Encashment of leave as per the rules of the Company.</p> <p><b>Category C:</b></p> <p>5. Car, telephone at residence and mobile phone for use on Company's business.</p>
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### Terms of appointment and remuneration of our Whole-time Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on July 10, 2024 and approved by the Shareholders of our Company at an EGM held on July 11, 2024, Lakshay Jain was designated as the Whole-time Director of our Company for a period of three (3) years with effect from July 10, 2024 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

<b>Basic Salary</b>	₹ 50,000 per month
<b>Perquisites</b>	<p><b>Category A:</b></p> <p>1. Medical Reimbursement for self and family as per the rules of the Company.</p> <p>2. Leave Travel Reimbursement of domestic &amp; foreign along with family as per the rules of the Company.</p> <p><b>Category B:</b></p> <p>3. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company.</p> <p>4. Encashment of leave as per the rules of the Company.</p> <p><b>Category C:</b></p> <p>5. Car, telephone at residence and mobile phone for use on Company's business.</p>

### Remuneration details of our Directors

#### (i) Remuneration of our Executive Directors

Please see below the details of remuneration paid to our Executive Directors during the Fiscal 2024:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Dilip Chhajjer	Nil
2.	Shrey Jain	Nil
3.	Lakshay Jain	1.50

#### (ii) Sitting fee details of our Non-Executive Directors and Independent Directors:

Please see below the details of sitting fee paid to our Independent Directors and Non-Executive Director during the Fiscal 2024:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Vandana Chhajer <sup>#</sup>	Nil
2.	Silpi Agarwal <sup>*</sup>	Nil
3.	Chandan Gupta <sup>*</sup>	Nil

*\*Silpi Agarwal and Chandan Gupta were appointed as the Independent Directors of our Company with effect from July 11, 2024, and therefore have not received any sitting fee during the Fiscal 2024.*

*#Vandana Chhajer was paid remuneration of ₹ 1.50 lakhs in the Fiscal 2024.*

Our Board of Directors in their meeting held on July 11, 2024 have fixed ₹ 10,000/- as sitting fee for Independent Directors and Non-Executive Directors, for attending meetings of the Board of Directors and its committees.

#### **Payment or benefit to Directors of our Cosmpany**

Except as disclosed in this Draft Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

#### **Remuneration paid to our Directors by our Subsidiary**

As on the date of this Draft Prospectus, our Company does not have a subsidiary.

#### **Loans to Directors**

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Draft Prospectus.

#### **Shareholding of Directors in our Company**

Except as stated below, none of our Directors hold any Equity Shares in our Company as on the date of this Draft Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Lakshay Jain	12,28,763	28.78
2)	Vandana Chhajer	10,41,276	24.39
3)	Shrey Jain	6,27,551	14.70
4)	Dilip Chhajer	5,93,112	13.89

*\* Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.*

#### **Interest of our Directors**

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “*Terms of appointment and remuneration of our Executive Directors*” above.

Dilip Chhajer, Shrey Jain, Vandana Chhajer, and Lakshay Jain are the Promoters of our Company and may be deemed to be interested in the promotion of our Company to the extent they have promoted our Company. Except as stated above, our Directors have no interest in the promotion of our Company other than in the ordinary course of business. Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as

disclosed in “*Financial Information*” and “*Our Promoters and Promoter Group*” beginning on Page Nos. 166 and 155, respectively of this Draft Prospectus, our Directors are not interested in any other company, entity or firm.

Our Directors have extended personal guarantees to secure the loan availed by our Company from its lenders. Further, our Directors have also extended unsecured loans to our Company, the details of which have been disclosed in the chapter titled “*Financial Indebtedness*” on page 223 of this Draft Prospectus.

Except as stated in “*Restated Financial Information –Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 166 of this Draft Prospectus, our Directors do not have any other interest in the business of our Company.

#### **Interest as to property**

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company as on the date of the Draft Prospectus.

#### **Bonus or Profit Sharing Plan for our Directors**

None of our Directors are a party to any bonus or profit sharing plan.

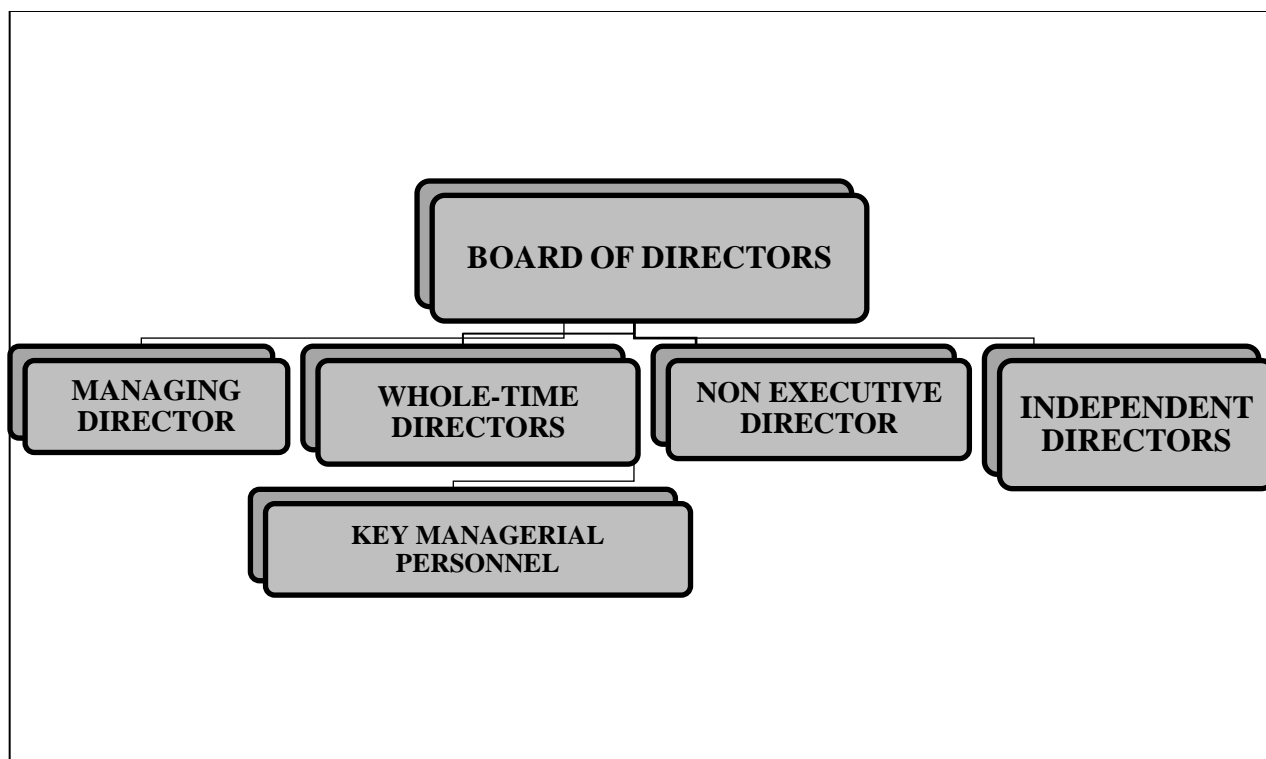
#### **Changes in our Board during the Last Three Years**

Except as disclosed below, there have been no changes in our Board during the last three years.

<b>Name of Director</b>	<b>Date of Appointment/ Change in Designation</b>	<b>Date of Cessation</b>	<b>Reasons for Change/ Appointment</b>
Dilip Chhajjer	July 10, 2024	-	Appointed as Managing Director
Shrey Jain	July 10, 2024	-	Appointed as Whole-time Director
Lakshay Jain	July 10, 2024	-	Appointed as Whole-time Director
Silpi Agarwal	July 11, 2024	-	Appointed as Independent Director
Chandan Gupta	July 11, 2024	-	Appointed as Independent Director

#### **Management Organization Structure**

Set forth is the management organization structure of our Company:



### **Corporate Governance**

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Draft Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. The applicable provisions of the Companies Act, 2013 relating to listed companies will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### **Committees of our Board**

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee; and
- c) Nomination and Remuneration Committee.

Details of each of these committees are as follows:

### **AUDIT COMMITTEE**

The Audit Committee was constituted *vide* Board resolution dated July 11, 2024 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Draft Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Chandan Gupta	Chairman	Independent Director
Silpi Agarwal	Member	Independent Director
Shrey Jain	Member	Whole-time Director and Chief Financial Officer

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

**The scope of Audit Committee shall include but shall not be restricted to the following:**

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background,

etc. of the candidate.

20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Management letters/letters of internal control weaknesses issued by the statutory auditors.
3. Internal audit reports relating to internal control weaknesses.
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
5. statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
6. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee shall meet at-least two times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on July 11, 2024. As on the date of this Draft Prospectus the Stakeholders' Relationship Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Chandan Gupta	Chairman	Independent Director
Silpi Agarwal	Member	Independent Director
Dilip Chhajjer	Member	Managing Director



Our Company Secretary and Compliance officer will act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Stakeholders' Relationship Committee is required to meet at-least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on July 11, 2024. As on the date of this Draft 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>
Silpi Agarwal	Chairman	Independent Director
Chandan Gupta	Member	Independent Director
Vandana Chhajer	Member	Non-Executive Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
4. Devising a policy on diversity of Board of Directors.
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria, laid down, and recommend to the Board of Directors their appointment and removal.
6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
7. recommend to the board, all remuneration, in whatever form, payable to senior management.

8. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at-least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **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 SMEs Platform of BSE.

#### **Our Key Managerial Personnel**

In addition to our Managing Director, Whole-time Directors and Chief Financial Officer, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Prospectus:

**Seema Agarwal**, aged 38 years, is the Company Secretary and Compliance Officer of our Company. She attended University of Kolkata to pursue bachelor's degree in commerce. She is an associate member of the Institute of Company Secretaries of India. In the past, she was associated with Asian Tea & Exports Limited in the capacity of a management trainee; with M/s. Sachin Pania and Associates, a practicing company secretary firm, in the capacity of Secretarial Assistant. She has been associated with our Company since July 10, 2024. She is having more than four years in the field corporate law compliances. She is overseeing the compliance and secretarial related matters of our Company. Since, she was appointed as the Company Secretary and Compliance Officer of our Company with effect from July 11, 2024, she has not received any remuneration during Fiscal 2024.

All our Key Managerial Personnel are permanent employees of our Company.

#### **Our Senior Managerial Personnel**

In addition to our Managing Director, Whole-time Directors and Chief Financial Officer and Company Secretary and Compliance Officer, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*' and '*Our Key Managerial Personnel*', there are no personnel who form part of the Senior Management as on the date of filing of this Draft Prospectus.

#### **Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management**

In addition to the disclosure made under the heading "*Relationship between our Directors*", none of our Key Managerial Personnel and Senior Management are related to each other or to any of our Directors.

#### **Shareholding of the Key Managerial Personnel**

Except as disclosed in "*Shareholding of Directors in our Company*", none of the KMPs hold any shareholding in our Company. **Bonus or Profit Sharing Plan for our Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit sharing plan.

#### **Payment or benefit to Key Managerial Personnel and Senior Management of our Company**

Except as disclosed in this Draft Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

#### **Interest of Key Managerial Personnel and Senior Management**

Except as disclosed in this Draft Prospectus, none of our Key Managerial Personnel and Senior Management have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which

they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

#### **Changes in Key Managerial Personnel and Senior Management in the Last Three Years**

In addition to the changes specified under “- *Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Draft Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason</b>
Shrey Jain	Chief Financial Officer	July 10, 2024	Appointment
Seema Agarwal	Company Secretary and Compliance Officer	July 10, 2024	Appointment

The attrition of the Key Management Personnel and Senior Management is as per the industry standards.

#### **Employees’ Stock Option Plan**

As on date of this Draft Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

#### **Loans taken by Directors / Key Management Personnel and Senior Management**

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Draft Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The individual promoters of our Company are Dilip Chhajer, Shrey Jain, Lakshay Jain and Vandana Chhajer (the “**Individual Promoters**”) and the corporate promoters of our Company are Chhajer Agro Products Private Limited and Dilip Chand Chhajer (HUF) (“**Corporate Promoters**”).

The details of the shareholding of our Promoters, as on date of this Draft Prospectus has been provided below:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Lakshay Jain	12,28,763	28.78	12,28,763	[•]
2.	Vandana Chhajer	10,41,276	24.39	10,41,276	[•]
3.	Shrey Jain	6,27,551	14.70	6,27,551	[•]
4.	Dilip Chhajer	5,93,112	13.89	5,93,112	[•]
5.	Chhajer Agro Products Private Limited	5,79,999	13.58	5,79,999	[•]
6.	Dilip Chand Chhajer (HUF)	1,98,980	4.66	1,98,980	[•]
	<b>Total</b>	<b>42,69,681</b>	<b>100.00</b>	<b>42,69,681</b>	<b>[•]</b>

For details, please see “*Capital Structure – Shareholding of our Promoters*” on page 70.

### Details of our Individual Promoters are as follows:

#### *Dilip Chhajer*



Dilip Chhajer, aged 56 years, is one of the Promoters and Managing Director of our Company. He resides at New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.

The Permanent Account Number of Dilip Chhajer is ABYPC8054B.

For complete profile of Dilip Chhajer, along with details of his date of birth, educational qualifications, professional experience, business and financial activities, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 141.

#### *Shrey Jain*



Shrey Jain, aged 25 years, is one of the Promoters, Whole-time Director and Chief Financial Officer of our Company. He resides at New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.

The Permanent Account Number of Shrey Jain is BKYPJ3475M.

For complete profile of Shrey Jain, along with details of his date of birth, educational qualifications, professional experience, business and financial activities, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 141.

### ***Lakshay Jain***



Lakshay Jain, aged 21 years, is one of the Promoters and Whole-time Director of our Company. He resides at New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.

The Permanent Account Number of Lakshay Jain is CEQPJ4185K.

For complete profile of Lakshay Jain, along with details of his date of birth, educational qualifications, professional experience, business and financial activities, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 141.

### ***Vandana Chhajer***



Vandana Chhajer, aged 53 years, is one of the Promoters and Non-Executive Director of our Company. She resides at New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.

The Permanent Account Number of Vandana Chhajer is ACQPC7653R.

For complete profile of Vandana Chhajer, along with details of her date of birth, educational qualifications, professional experience, business and financial activities, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 141.

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, Aadhaar card numbers and driving license numbers of our Promoters, shall be submitted to the Stock Exchange at the time of filing of this Draft Prospectus.

### **Details of our Corporate Promoters**

#### **Chhajer Agro Products Private Limited**

Chhajer Agro Products Private Limited was incorporated on June 6, 2016 as a private limited company pursuant to a certificate of incorporation dated June 6, 2016 issued by the Registrar of Companies, Central Registration Centre. The registered office of our Promoter is situated at Baro Chowmata Belari, Guskara, Purba Burdwan, Bardhaman - 713 141, West Bengal, India.

The PAN of Chhajer Agro Products Private Limited is AAGCC4954J.

Chhajer Agro Products Private Limited has been authorised to engage in the business of extraction of oil by mechanical, electrical, physical and or chemical means. There has been no change in its activities since the date of its incorporation.

As of the date of this Draft Prospectus, the shares of Chhajer Agro Products Private Limited are not listed on any stock exchange.

#### ***Directors of Chhajer Agro Products Private Limited***

Dilip Chhajer and Shrey Jain are the directors on the board of directors of Chhajer Agro Products Private Limited.

*Promoters of Chhajer Agro Products Private Limited*

Dilip Chhajer and Vandana Chhajer are the promoters of Chhajer Agro Products Private Limited.

*Shareholding of Chhajer Agro Products Private Limited*

The shareholding pattern of Chhajer Agro Products Private Limited as on the date of this Draft Prospectus is as follows:

S. No.	Name of the Shareholder	Number of Equity Shares	% of the issued, subscribed and paid-up equity share capital of our Promoter
1.	Goutam Chand Chhajer	4,03,114	13.44
2.	Suman Chhajer	3,73,020	12.43
3.	Vandana Chhajer	3,23,280	10.78
4.	Punam Chand Chhajer	3,04,542	10.15
5.	Sangita Chhajer	4,21,410	14.05
6.	Dilip Chhajer	4,94,250	16.48
7.	Abhishek Chhajer	4,80,900	16.03
8.	Sourav Chhajer	1,99,467	6.65
<b>Total</b>		<b>29,99,983</b>	<b>100.00</b>

*Changes in management and control of Chhajer Agro Products Private Limited*

There has not been a change in control of Chhajer Agro Products Private Limited in the three years immediately preceding the filing of this Draft Prospectus.

There was no change in shareholding of Chhajer Agro Products Private Limited in the three years immediately preceding the filing of this Draft Prospectus.

There has been no change in the management and control of Chhajer Agro Products Private Limited in the three years preceding the date of this Draft Prospectus.

***Dilip Chand Chhajer (HUF)***

*HUF Information and history*

Dilip Chand Chhajer (HUF) came into existence on August 1, 1991. Dilip Chhajer is its Karta of Dilip Chand Chhajer (HUF) and Shrey Jain, Lakshay Jain and Vandana Chhajer are its coparceners.

As on the date of this Draft Prospectus, Dilip Chand Chhajer (HUF) holds 1,98,980 Equity Shares, representing 4.66 % of the issued, subscribed and paid-up equity share capital of our Company.

The PAN of Dilip Chand Chhajer (HUF) is AABHC0678K.

The address of Dilip Chand Chhajer (HUF) is New Bridge Road Sainthia Word 2, Sainthia, Birbhum- 731 234, West Bengal, India.

Our Company confirms that the permanent account numbers and bank account numbers of our Corporate Promoters, and address of the registrars of companies where Chhajer Agro Products Private Limited is registered and its registration number will be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

## Change in control of our Company

There has been no change in the management or control of our Company during the last five years preceding the date of this Draft Prospectus.

## Other ventures of our Promoters

Our Promoters are involved in other ventures and business activities in different capacities as listed below:

### *Dilip Chhajjer*

S. No.	Name of the entity	Nature of interest / position
1.	Chhajjer Agro Product Private Limited	Director and Shareholder
2.	Shelter Trading Business Private Limited	Director and Shareholder
3.	Infine Exports Private Limited	Director and Shareholder
4.	Birbhum Rice Mill	Partner
5.	Birbhum Oils Private Limited	Shareholder

### *Shrey Jain*

S. No.	Name of the entity	Nature of interest / position
1.	Chhajjer Agro Product Private Limited	Director and Shareholder
2.	Birbhum Agro Products Private Limited	Shareholder
3.	Infine Exports Private Limited	Shareholder
4.	Kanduri Cold Storage Private Limited	Shareholder

### *Lakshay Jain*

S. No.	Name of the entity	Nature of interest / position
1.	Nil	Nil

### *Vandana Chhajjer*

S. No.	Name of the entity	Nature of interest / position
1.	Birbhum Oils Industries Private Limited	Shareholder
2.	Chhajjer Realty LLP	Partner
3.	Birbhum Agro Products Private Limited	Shareholder
4.	Chhajjer Agro Product Private Limited	Shareholder
5.	Infine Exports Private Limited	Shareholder
6.	Kanduri Cold Storage Private Limited	Shareholder
7.	Shelter Trading Private Limited	Shareholder

## Interests of Promoters

- (a) Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) their shareholding in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) in which our Promoters are partners or directors; or (iii) which are controlled by our Promoters. For further details of interest of our Promoters in our Company, see “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 36 - Related party transactions*” on page 166.

- (b) Further, Dilip Chhajer, Shrey Jain, Vandana Chhajer and Lakshay Jain, are also interested in our Company in the capacity of Managing Director, Whole-time Director, Chief Financial Officer and Non-Executive Director, respectively, and may be deemed to be interested in the remuneration or sitting fee payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see “*Our Management*” on page 141. For further details of interest of our Promoters in our Company, see “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 36 - Related party transactions*” on page 166.
- (c) Except as disclosed in “*Financial Statements*” and “*Financial Indebtedness*” on page 166 and 223, respectively in this Draft Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company.
- (d) Except for the interest held by our Promoters in our Promoter Group entities, our Promoters do not have any interest in any venture that is involved in activities similar to those conducted by our Company.
- (e) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoter or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.
- (f) Except as disclosed in “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 36 - Related party transactions*” on page 166, there has been no payment or benefits by our Company to our Promoters during the two years preceding the date of this Draft Prospectus nor is there any intention to pay or give any benefit to our Promoters as on the date of this Draft Prospectus.
- (g) We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Promoters and Promoter Group.

#### **Interest in property, land, construction of building and supply of machinery**

Our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

#### **Payment or benefits to Promoter or Promoter Group**

Except as disclosed above and as stated in “*Financial Statements- Restated Financial Statements – Notes to Restated Financial Statements – Annexure 36 - Related party transactions*” on page 166, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Prospectus.

#### **Companies or firms with which our Promoters have disassociated in the last three years**

Our Promoters have not disassociated themselves from any companies or firms during the preceding three years from the date of filing of this Draft Prospectus.

#### **Material guarantees**

As on the date of this Draft Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

#### **Other confirmations**



Our Promoters are not Wilful Defaulters or a Fraudulent Borrowers.

Our Promoters are not Fugitive Economic Offenders.

Our Promoters and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Our Promoters are not, and have not been in the past, promoters or directors of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

## PROMOTER GROUP

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

*Natural persons who are part of the Promoter Group*

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<b><i>Dilip Chhajer</i></b>		
1	Late Dip Chand Chhajer	Father
2	Rajkumari Chhajer	Mother
3	Vandana Chhajer	Spouse
4	Lalita Hirawat	Sister
6	Uttam Chand Chhajer	Brother
7	Goutam Chand Chhajer	Brother
8	Punam Chand Chhajer	Brother
9	Shrey Jain	Son
10	Lakshay Jain	Son
11	Abhay Kumar Dugar	Spouse's Father
12	Sushila Dugar	Spouse's Mother
13	Vishal Dugar	Spouse's Brother
14	Abhishek Dugar	Spouse's Brother
<b><i>Shrey Jain</i></b>		
1.	Dilip Chhajer	Father
2.	Vandana Chhajer	Mother
3.	-	Spouse
4.	Lakshay Jain	Brother
5.	-	Sister
6.	-	Son
7.	-	Daughter
8.	-	Spouse's Father
9.	-	Spouse's Mother
10.	-	Spouse's Brother
11.	-	Spouse's Sister
<b><i>Vandana Chhajer</i></b>		
1.	Abhay Kumar Dugar	Father
2.	Sushila Dugar	Mother
3.	Dilip Chhajer	Spouse
4.	Vishal Dugar	Brother
5.	Abhishek Dugar	Brother
6.	Shrey Jain	Son
7.	Lakshay Jain	Son
8.	Late Dip Chand Chhajer	Spouse's Father
9.	Rajkumari Chhajer	Spouse's Mother
10.	Lalita Hirawat	Spouse's Sister

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
11.	Lalita Hirawat	Spouse's Brother
12.	Uttam Chand Chhajer	Spouse's Brother
13.	Goutam Chand Chhajer	Spouse's Brother
<b>Lakshay Jain</b>		
1.	Dilip Chhajer	Father
2.	Vandana Chhajer	Mother
3.	-	Spouse
4.	Shrey Jain	Brother
5.	-	Sister
6.	-	Son
7.	-	Daughter
8.	-	Spouse's Father
9.	-	Spouse's Mother
10.	-	Spouse's Brother
11.	-	Spouse's Sister

***Bodies corporates, partnership firms forming part of the Promoter Group***

*Except as stated below, no other company, firm or HUF are forming part of the promoters' group (other than our Promoters):*

S. No.	Name of entities
1.	Birbhum Rice Mill
2.	Infine Exports Private Limited
3.	Shelter Trading Business Private Limited
4.	M/s. Bihar Agro Industries
5.	M/s. Technocrates
6.	Hitech Vision Technologies LLP
7.	Surajshree Chemicals Limited
8.	M/s. Parasmani Traders
9.	M/s. Swastik Enterprises
10.	Uttam Chand Chhajer & Sons (HUF)
11.	Birami Realty LLP
12.	Goutam Chand Chhajer & Sons (HUF)
13.	Punam Chand Chhajer & Sons (HUF)
14.	Chhajer Realty LLP
15.	Birbhum Oils Industries Private Limited
16.	Kanduri Cold Storage Private Limited

***Other Confirmations***

Neither our Promoters nor members of the Promoters' Group have been declared as wilful defaulters by the RBI or any other governmental authority nor there are any violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither Promoters nor entities forming part of our Promoters' Group have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoters' Group are not and have never been promoter, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of this Draft Prospectus against our Promoter.

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated July 18, 2024, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Offer Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled “*Financial Information*” on page 166 of this Draft Prospectus.

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, Birbhum Oils Industries Private Limited has been identified and considered as the Group Companies of our Company.

### A. Details of our Group Company

#### **Birbhum Oils Industries Private Limited**

##### *Registered Office address*

The registered office of Birbhum Oils Industries Private Limited is situated at Vill - Nandara, P.O.- Parulia P.S- Mayureshwar, Birbhum- 731 218, West Bengal, India.

##### *Financial Performance*

The Financial Performance of Birbhum Oils Industries Private Limited as on the date of this Draft Prospectus is as follows:

	<i>(₹ in Lakhs)</i>		
<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Equity capital	190.00	190.00	190.00
Reserves and surplus (excluding revaluation)	926.51	832.63	744.68
Sales/ Revenue from Operations	20,074.78	16,603.14	12,620.11
Profit/(Loss) after tax	93.88	87.95	77.35
Earnings per share (₹) (Basic)	4.94	4.63	4.07
Earnings per share (₹) (Diluted)	4.94	4.63	4.07
Net Worth available to equity shareholders	1,116.51	1,022.63	934.68
Net asset value per share (₹)	58.76	53.82	49.19

### B. Litigation

Our Group Company is not party to any litigation which may have material impact on our Company.

### C. Common pursuits

There are no common pursuits between our Group Company and our Company. While, Birbhum Oils Industries Private Limited is engaged in the same business as our Company, however it does not compete with our Company and accordingly, there is no conflict of interest between our Company and Birbhum Oils Industries Private Limited. Furthermore, our Company and our Group Companies will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For risks relating the same, please see – “*Risk Factors - Our Group Company is engaged in a similar line of business as our Company and may compete with us*” on page 31.

### D. Related business transactions within our Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on Page No. 166 of this Draft Prospectus, there are no other related business transactions between our Group Companies and our

Company.

**E. Business Interest**

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on Page No. 166, our Group Companies have no business interests in our Company.

**F. Nature and extent of interest of our Group Companies**

*a) In the promotion of our Company*

Our Group Companies do not have any interest in the promotion of our Company.

*b) In the properties acquired by us in the preceding three years before filing this Draft Prospectus or proposed to be acquired by our Company*

Our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

*c) In transactions for acquisition of land, construction of building and supply of machinery*

Our Group Companies are not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

*d) We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Group Company and its directors.*

## **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, during the three months period ended June 30, 2024 and last three Fiscals, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Information, see “*Restated Financial Information – Annexure: Significant Accounting Policies and Explanatory Notes to the Restated Financial Statements- Note - Related Party Disclosures*” on page 166 of this Draft Prospectus.

## **DIVIDEND POLICY**

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. As on the date of this Draft Prospectus, our Company does not have a formal dividend policy.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the three months period ended June 30, 2024 and the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in future. For details in relation to the risk involved, see “*Risk Factor*” on page 21 of this Draft Prospectus.

**SECTION V – FINANCIAL INFORMATION**

**RESTATED FINANCIAL INFORMATION**

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Restated Financial Information	167

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**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL STATEMENTS  
OF SWASTH FOODTECH INDIA LIMITED**

The Board of Directors  
**SWASTH FOODTECH INDIA LIMITED**  
Baro Chowmata Belari, Guskara  
Purba Burdwan, Na, Burdwan  
West Bengal, India, 713141.

Dear Sir,

1. We have examined the attached Restated Statement of Assets and Liabilities of **SWASTH FOODTECH INDIA LIMITED** (the "Company" or the "Issuer") as at 30<sup>th</sup> June, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023, 31<sup>st</sup> March, 2022, the related Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the period ended 30<sup>th</sup> June, 2024, year ended 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023 and for the period ended 31<sup>st</sup> March 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information 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 SME Platform of BSE.

2. These Restated Summary Statements have been prepared in accordance with the requirements of:

(i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

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

(iii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "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 period ended 30<sup>th</sup> June, 2024, year ended 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023 and for the period ended 31<sup>st</sup> March 2022 which has been approved by the Board of Directors.

4. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in the Significant Accounting Policies and Notes to Accounts as set out in Restated Financial Information. The Board of Directors of the Company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the company complies with the Act, ICDR Regulations and the Guidance Note.

**5. We have examined such Restated Financial Statements taking into consideration:**

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statement; and,
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.



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 “**Statement of Assets and Liabilities as Restated**” as set out in this report, of the company as at 30<sup>th</sup> June, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023, and 31<sup>st</sup> March 2022 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 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 this Report.

(ii) The “**Statement of Profit and Loss as Restated**” as set out in this report, of the Company for the period ended 30<sup>th</sup> June, 2024, year ended 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023 and for the period ended 31<sup>st</sup> March 2022 are prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the 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 this Report.

(iii) The “**Statement of Cash Flow as Restated**” as set out in this report, of the Company for the period ended 30<sup>th</sup> June, 2024, year ended 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and for the period ended 31<sup>st</sup> March 2022 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 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 this Report.

6. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:

a) Adjustments for the changes in accounting policies retrospectively in respective financial year to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.

b) Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments.

c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments except as disclosed in the notes to accounts.

d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the period ended on 30<sup>th</sup> June, 2024, year ended 31<sup>st</sup> March, 2024 31<sup>st</sup> March 2023, and for the period ended 31<sup>st</sup> March, 2022, which would require adjustments in this Restated Financial Statements of the Company.

e) 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 this report.

(f) The Company has not paid any dividend since its incorporation

7. The preparation and presentation of the Restated Financial Statements referred to above are based on the Audited financial statements of the Company as per Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India for the period ended 30<sup>th</sup> June, 2024 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.

8. 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.

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

10. In our opinion, the above financial information contained in Annexure of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out 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.

11. Audit for the period ended 30<sup>th</sup> June, 2024, for the year ended 31<sup>st</sup> March, 2024 ,31<sup>st</sup> March 2023 and for the period ended 31<sup>st</sup> March 2022 was conducted by us.

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

*For* **BAID AGARWAL SINGHI & CO.**

*Chartered Accountants*

Firm Registration No. 328671E

**CA Sourabh Agarwal**

*(Partner)*

Membership No: 301075

Place: Kolkata

Dated: 18<sup>th</sup> Day of July, 2024

UDIN: 24301075BKBGCO2644

SWASTH FOODTECH INDIA LIMITED  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881  
(Amount in INR lakhs, unless otherwise stated)  
Annexure I- Restated Statement of Assets and Liabilities

	Note	As at 30th June, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>I EQUITY AND LIABILITIES</b>					
<b>1) Shareholders Fund</b>					
(a) Equity Share Capital	3	426.97	426.97	299.06	299.06
(b) Reserves and Surplus	4	285.31	197.07	3.83	1.14
<b>Total Shareholder's Fund</b>		<b>712.28</b>	<b>624.04</b>	<b>302.89</b>	<b>300.20</b>
<b>Liabilities</b>					
<b>2) Non-current Liabilities</b>					
(a) Long Term Borrowings	5	375.74	409.07	542.39	495.94
(b) Deferred Tax liabilities	6	32.32	30.11	18.09	-
(c) Non Current Provisions	7	1.01	0.80	0.58	-
<b>Total Non-current liabilities</b>		<b>409.07</b>	<b>439.98</b>	<b>561.06</b>	<b>495.94</b>
<b>3) Current liabilities</b>					
(a) Short Term Borrowings	8	1,551.25	1,929.80	1,839.79	295.82
(b) Trade payables	9				
i) Total outstanding dues of Micro & Small enterprises		13.43	15.27	-	-
ii) Total outstanding dues of creditors other than Micro & Small enterprises		934.61	134.54	239.14	13.33
(c) Other Current Liabilities	10	24.65	39.56	116.32	159.67
(d) Short Term Provisions	11	14.84	0.77	-	0.09
<b>Total Current Liabilities</b>		<b>2,538.77</b>	<b>2,119.93</b>	<b>2,195.25</b>	<b>468.91</b>
<b>Total Equity and Liabilities</b>		<b>3,660.13</b>	<b>3,183.95</b>	<b>3,059.20</b>	<b>1,265.05</b>
<b>II ASSETS</b>					
<b>4) Non-current assets</b>					
<b>(A) Property, Plant and Equipment and Intangible assets</b>					
(a) Property, Plant and Equipment	12	1,112.85	1,117.91	1,179.77	-
(b) Other Intangible Assets	13	0.10	0.10	0.12	-
(c) Capital Work in Progress	14	-	-	-	1,068.45
(B) Other Non - Current Assets	15	52.92	44.92	35.36	34.33
<b>Total Non-Current Assets</b>		<b>1,165.87</b>	<b>1,162.93</b>	<b>1,215.25</b>	<b>1,102.78</b>
<b>5) Current assets</b>					
(a) Inventories	16	2,073.56	1,765.32	1,480.27	-
(b) Trade Receivables	17	224.73	84.98	91.43	-
(c) Cash and Cash Equivalents	18	61.10	38.11	110.47	5.07
(d) Short Term Loans and Advances	19	36.10	48.07	161.78	157.20
(e) Other Current Assets	20	98.77	84.55	-	-
<b>Total Current Assets</b>		<b>2,494.26</b>	<b>2,021.03</b>	<b>1,843.95</b>	<b>162.27</b>
<b>Total Assets</b>		<b>3,660.13</b>	<b>3,183.96</b>	<b>3,059.20</b>	<b>1,265.05</b>

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure IV and Notes to Restated Financial Information appearing in Annexure V .

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

For BAID AGARWAL SINGHI & CO.  
Chartered Accountants  
(FRN 328671E)

For and on behalf of the Board  
SWASTH FOODTECH INDIA LIMITED  
CIN : U15490WB2021PLC242881

CA SOURABH AGARWAL  
Partner  
Membership No: 301075  
UDIN : 24301075BKBGCO2644

Dilip Chhajer  
(Managing Director)  
(DIN : 00668288)  
Place : Kolkata

Vandana Chhajer  
Director  
(DIN:02539865)  
Vandana Chhajer

Place:Kolkata  
Date: 18th Day of July '2024

Shrey Jain  
(Chief Financial Officer)  
DIN : 09049568

Ms.Seema Agarwal  
Company Secretary

**SWASTH FOODTECH INDIA LIMITED**  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881  
(Amount in INR lakhs, unless otherwise stated)  
**Annexure II- Restated Statement of Profit and Loss**

		For the period ended	For the year ended	For the year ended	For the period
	Note	30th June, 2024	31st March, 2024	31st March, 2023	2nd February, 2021 to 31st March, 2022
<b>Revenue</b>					
Revenue from operations	21	4,035.22	13,324.98	9,989.64	122.10
Other Income	22	14.83	107.19	3.91	0.48
<b>Total Revenue</b>		<b>4,050.05</b>	<b>13,432.17</b>	<b>9,993.55</b>	<b>122.58</b>
<b>Expenses</b>					
Purchases of Traded Goods	23	345.83	606.56	1,795.62	96.99
Cost of Material Consumed	24	3,377.48	12,186.25	9,233.75	-
Changes in Inventory of Finished Goods, Work in Progress & Stock in trade	25	96.41	(47.82)	(1,430.41)	-
Employee benefit Expenses	26	5.15	23.20	24.08	-
Finance costs	27	46.56	187.52	117.33	0.90
Depreciation & Amortization	28	17.29	68.86	51.79	-
Other Expenses	29	54.81	191.79	180.57	23.17
<b>Total Expenses</b>		<b>3,943.53</b>	<b>13,216.36</b>	<b>9,972.73</b>	<b>121.06</b>
<b>Profit / Loss before exceptional item and tax</b>		<b>106.52</b>	<b>215.81</b>	<b>20.82</b>	<b>1.52</b>
<b>Exceptional Item</b>			-	-	-
<b>Profit / (Loss) before Tax</b>		<b>106.52</b>	<b>215.81</b>	<b>20.82</b>	<b>1.52</b>
<b>Income tax expense</b>					
- Current tax		16.06	10.55	-	0.38
- Deferred tax		2.22	12.02	18.09	-
- Income tax for earlier years			-	0.04	-
<b>Total Tax Expenses</b>		<b>18.28</b>	<b>22.57</b>	<b>18.13</b>	<b>0.38</b>
<b>Profit/ (loss) for the year from continuing operations</b>		<b>88.24</b>	<b>193.24</b>	<b>2.69</b>	<b>1.14</b>
Earnings per equity share (for continuing operation):	34				
Equity Shares of face Value Rs.10/- each					
(1) Basic		2.07	5.03	0.09	0.04
(2) Diluted		2.07	5.03	0.09	0.04

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure IV and Notes to Restated Financial Information appearing in Annexure V .

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

**For Baid Agarwal Singhi & Co.**  
Chartered Accountants  
(FRN 328671E)

For and on behalf of the Board of Directors of  
**SWASTH FOODTECH INDIA LIMITED**  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")

**CA SOURABH AGARWAL**  
Partner  
Membership No: 301075  
Place:Kolkata

**Dilip Chhajer**  
(Managing Director)  
(DIN : 00668288)

**Vandana Chhajer**  
Director  
(DIN:02539865)

**Shrey Jain**  
(Chief Financial Officer)  
DIN : 09049568

**Ms.Seema Agarwal**  
Company Secretary

**SWASTH FOODTECH INDIA LIMITED**  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881  
(Amount in INR lakhs, unless otherwise stated)  
Annexure III- Restated Statement of Cash Flows

Particulars	For the period ended 30th June, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the period 2nd February, 2021 to 31st March, 2022
<b>(A) Cash Flow From Operating Activities</b>				
Net Profit before tax	106.52	215.81	20.82	1.52
Adjustments for:				
Depreciation	17.29	68.86	51.79	-
Finance Cost	46.56	187.52	117.33	0.90
Interest Income	-	(1.47)	(1.15)	(0.48)
Liability Written Back	(0.01)	(19.83)	(1.06)	-
Sundry balance written off	-	0.53	-	0.00
Provision for Gratuity	0.22	0.21	0.59	-
<b>Operating Profit before Working Capital Changes</b>	<b>170.58</b>	<b>451.63</b>	<b>188.32</b>	<b>1.94</b>
Adjustments for:				
(Increase)/Decrease in Short Term Loans and Advances	16.96	99.13	(11.34)	(135.21)
(Increase)/Decrease in Trade Receivables	(139.76)	5.93	(91.43)	(0.00)
(Increase)/Decrease in Inventories	(308.24)	(285.05)	(1,480.27)	-
(Increase)/Decrease in Other non Current Assets	(8.00)	(9.56)	(1.03)	(34.32)
Increase/(Decrease) in Trade Payables	798.24	(69.50)	226.86	13.33
Increase/(Decrease) in Other Current Liabilities	(14.90)	(76.76)	(43.35)	159.67
Increase/(Decrease) in Short Term Provisions	-	-	-	-
Increase/(Decrease) in Other Current Assets	(14.22)	(84.54)	-	-
<b>Net cash from Operating Activities (A)</b>	<b>500.66</b>	<b>31.28</b>	<b>(1,212.24)</b>	<b>5.41</b>
Direct Tax Paid/(Refunded)	2.00	(4.80)	15.37	0.30
	<b>498.66</b>	<b>36.08</b>	<b>(1,227.61)</b>	<b>5.11</b>
<b>(B) Cash Flow from Investing Activities</b>				
Purchase of Property Plant & Equipment ( including Capital Work in Progress)	(12.23)	(6.98)	(163.23)	(1,068.44)
Interest Received	-	1.47	1.15	0.48
Capital advances	(5.00)	-	22.00	(22.00)
<b>Net Cash used in Investing Activities (B)</b>	<b>(17.23)</b>	<b>(5.51)</b>	<b>(140.08)</b>	<b>(1,089.96)</b>
<b>(C) Cash Flow from Financing Activities</b>				
Proceeds From Long Term Borrowings	(33.33)	(133.33)	1,543.97	495.94
Proceeds From Short Term Borrowings	(378.55)	90.01	46.45	295.82
Proceeds Form Issue of Equity Shares	-	127.91	-	299.06
Finance Cost	(46.56)	(187.52)	(117.33)	(0.90)
<b>Net Cash used in Financing Activities (C )</b>	<b>(458.44)</b>	<b>(102.93)</b>	<b>1,473.09</b>	<b>1,089.92</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>22.99</b>	<b>(72.36)</b>	<b>105.40</b>	<b>5.07</b>
<b>Cash and Cash Equivalents at beginning of the Year</b>	<b>38.11</b>	<b>110.47</b>	<b>5.07</b>	<b>-</b>
<b>Cash and Cash Equivalents at end of the Year*</b>	<b>61.10</b>	<b>38.11</b>	<b>110.47</b>	<b>5.07</b>

	For the period ended 30th June, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the period 2nd February, 2021 to 31st March, 2022
<b>Notes to cash flow statement</b>				
I. Components of cash and cash equivalents :				
Cash in hand	5.57	7.70	6.53	0.54
Balances with banks:				
- On current accounts	55.53	30.41	103.94	4.53
	<b>61.10</b>	<b>38.11</b>	<b>110.47</b>	<b>5.07</b>

Note:

The above statement of cash flow has been prepared under the indirect method as set out in AS 3 "Cash Flow Statement".

**For Baid Agarwal Singhi & Co.**  
Chartered Accountants  
(FRN 328671E)

For and on behalf of the Board of Directors of  
**SWASTH FOODTECH INDIA LIMITED**  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881

**CA SOURABH AGARWAL**  
Partner  
Membership No: 301075  
Place:Kolkata

**Dilip Chhajer**  
(Managing Director)  
(DIN : 00668288)  
Place : Kolkata

**Vandana Chhajer**  
Director  
(DIN:02539865)  
Place : Kolkata

**Shrey Jain**  
(Chief Financial Officer)  
DIN : 09049568

**Ms.Seema Agarwal**  
Company Secretary

**SWASTH FOODTECH INDIA LIMITED**  
**(FORMERLY KNOWN AS "SWASTH FOODTECH INDIA PRIVATE LIMITED")**  
**CIN : U15490WB2021PLC242881**

**Annexure IV - SIGNIFICANT ACCOUNTING POLICIES**

**NOTE: 1: COMPANY INFORMATION**

The Company was incorporated on February 02, 2021 as 'Swasth Foodtech India Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, West Bengal. Further, the Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in their meeting held on January 27, 2024, and by the Shareholders at an Extraordinary General Meeting held on February 1, 2024 and consequently the name of the Company was changed to 'Swasth Foodtech India Limited' and a fresh certificate of incorporation dated May 20, 2024 was issued by the Registrar of Companies, Haryana at Gurgaon. The company is mainly engaged in the business of Refined Oil Manufacturer.

**NOTE : 2 : SIGNIFICANT ACCOUNTING POLICY**

**2.1 Basis of preparation of Restated Financial Statements**

(a) The Restated Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India to comply in all material respects with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Restated Financial Statements have been prepared on accrual basis under the historical cost convention and ongoing concern concept.

(b) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Revised) to the Companies Act, 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of current- non current classification of assets and liabilities.

(c) The preparation of the Restated Financial Statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the Restated Financial Statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

**2.2 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

**2.3 Property Plant & Equipments**

- (a) Fixed assets are stated at cost, less accumulated depreciation less impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
- (b) Property, Plant and Equipment which are not ready for intended use as on the date of Balance sheet are disclosed as "Capital Work-in-progress".
- (c) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher

**SWASTH FOODTECH INDIA LIMITED**  
**(FORMERLY KNOWN AS "SWASTH FOODTECH INDIA PRIVATE LIMITED")**  
**CIN : U15490WB2021PLC242881**

**Annexure IV - SIGNIFICANT ACCOUNTING POLICIES**

of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

- (d) Depreciation on Fixed Assets is provided to the extent of depreciable amount on written down value method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciable value of fixed Assets is its cost of acquisition as reduced by residual value of five percent of cost of acquisition of the Asset.

**2.4 Inventories**

Raw Materials & Store Materials: Inventories are valued at lower of cost and net realizable value. However, materials and other items held for used in the production of inventories are not written down below cost, if the finished products in which they will be incorporated or expected to be sold at or above cost. The cost is determined on the basis of FIFO method.

Finished goods, Stock in process & Traded Goods: Inventories are valued at cost (weighted average basis) or at the net realisable value, whichever is lower. Finished Goods includes cost of purchase of raw materials and conversion thereof, including the cost incurred in the normal course of business in bringing the inventories up to the present location & condition. Traded Goods includes purchase price and other cost incurred for bringing the inventories to their present location and condition.

**2.5 Borrowing cost**

Borrowing Cost directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the Asset. All other borrowing cost are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**2.6 Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period in which an assets is identified as impaired. The impaired loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**2.7 Taxation**

Current Tax is the provision made for Income Tax Liability on the profits for the year or period in accordance with the provisions of Income Tax Act, 1961.

Deferred tax expenses or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

**SWASTH FOODTECH INDIA LIMITED**  
**(FORMERLY KNOWN AS "SWASTH FOODTECH INDIA PRIVATE LIMITED")**  
**CIN : U15490WB2021PLC242881**

**Annexure IV - SIGNIFICANT ACCOUNTING POLICIES**

Deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## **2.8 Contingent Liabilities & Provisions**

A contingent liability is a possible obligation that arises from the past events and the events and the existence of which will be confirmed by that occurrence or non- occurrence of one or more uncertain future events beyond the control of the company or present obligation that arises from the past events that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The contingent Liability also arises in extremely rare cases where there is a liability that cannot be recognized because it can not be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the Restated Financial Statements.

Contingent Liabilities are disclosed after a careful evaluation of facts and legal aspects of the matter involved. Provisions are recognized when the company has legal / constructive obligation and on management discretion, as a result of a past event, for which it is probable that a cash outflow may be required and a reliable estimate can be made for the amount of the obligation.

## **2.9 Retirement Benefits**

Employees Benefits of short term nature are recognized as expense as and when it accrues.  
Long term and post employment benefit is recognized as expense as and when it accrues.

## **2.10 Foreign Currency transaction**

Foreign Currency transaction are recorded at the prevailing exchange rates at the time of initial transaction. Exchange differences arising on final settlement are adjusted and recognized as income or expense in the statement of profit & loss.

## **2.11 Earnings per Share (EPS)**

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of Equity Shares outstanding during the Year or period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects for all dilutive potential equity shares.



**SWASTH FOODTECH INDIA LIMITED**  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881  
Annexure V- Notes to Restated Financial Information(Continued)  
(Amount in INR lakhs, except for share data unless otherwise stated)

3 EQUITY SHARE CAPITAL	As at 30th June, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Authorised</b>				
50,00,000 Equity Shares of Rs. 10/- each	500.00	500.00	500.00	300.00
	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>	<b>300.00</b>
(FY 2023-24 : 50,00,000 Equity Shares of Rs. 10/- each; FY 2022-23 : 50,00,000 Equity Shares of Rs. 10/- each; FY 2021-22 : 30,00,000 Equity Shares of Rs. 10/- each;)				
<b>Issued, subscribed and paid up</b>				
42,69,682 Equity Shares of Rs. 10/- each Fully Paid up	426.97	426.97	299.06	299.06
	<b>426.97</b>	<b>426.97</b>	<b>299.06</b>	<b>299.06</b>
(FY 2023-24: 42,69,682 Equity Shares of Rs. 10/- each; FY 2022-23 : 29,90,592 Equity Shares of Rs. 10/- each; FY 2021-22 : 29,90,592 Equity Shares of Rs. 10/- each;)				
<b>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</b>	<b>As at 30th June, 2024</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
	<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
Equity Shares outstanding at the beginning of the year	4,269,682	2,990,592	2,990,592	2,990,592
Add: Equity Shares issued/(bought back)	-	1,279,090	-	-
Equity Shares outstanding at the close of the year	<b>4,269,682</b>	<b>4,269,682</b>	<b>2,990,592</b>	<b>2,990,592</b>

<b>Reconciliation of the value of shares outstanding at the beginning and at the end of the reporting period:</b>	<b>Amount (Rs. In Lakhs)</b>	<b>Amount (Rs. In Lakhs)</b>	<b>Amount (Rs. In Lakhs)</b>	<b>Amount (Rs. In Lakhs)</b>
Equity Shares outstanding at the beginning of the year	426.97	299.06	299.06	299.06
Add: Equity Shares issued/(bought back)	-	127.91	-	-
Equity Shares outstanding at the close of the year	<b>426.97</b>	<b>426.97</b>	<b>299.06</b>	<b>299.06</b>

The Board of Directors of the Company in the Board meeting dated 01st August, 2023 have approved the allotment of 12,79,090 shares equity shares of the company of face value Rs.10/- aggregating to Rs. 1,27,90,900 on Rights Basis as per the provisions of section 62(1)(a) of the Companies Act, 2013.

**Terms/rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity share is entitled to receive dividend as declared time to time and is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at 30th June, 2024		31st March, 2024	
	No. of Shares	% holding	No. of Shares	% holding
<b>Equity Shares of Rs.10 each fully paid</b>				
Chhajer Agro Products Pvt. Ltd	579,999.00	13.58%	579,999	13.58%
Dilip Chhajer	593,112.00	13.89%	593,112	13.89%
Lakshay Jain	1,228,763.00	28.78%	1,228,763	28.78%
Shrey Jain	627,551.00	14.70%	627,551	14.70%
Vandana Chhajer	1,041,276.00	24.39%	1,041,276	24.39%
Name of the shareholder	31st March, 2023		31st March, 2022	
	No. of Shares	% holding	No. of Shares	% holding
<b>Equity Shares of Rs.10 each fully paid</b>				
Chhajer Agro Products Pvt. Ltd	580,000.00	19.39%	580,000	19.39%
Dilip Chhajer	387,500.00	12.96%	387,500	12.96%
Lakshay Jain	802,792.00	26.84%	802,792	26.84%
Shrey Jain	410,000.00	13.71%	410,000	13.71%
Vandana Chhajer	680,300.00	22.75%	680,300	22.75%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**Details of shareholding of promoters and promoters' group**

Name of the Promoters and Promoter's Group	As at 30th June, 2024		% Change during the year
	Nos	% of Holding	
Chhajer Agro Products Pvt. Ltd	579,999.00	13.58%	0.00%
Dilip Chhajer	593,112.00	13.89%	0.00%
Dilip Chhajer (HUF)	198,980.00	4.66%	0.00%
Lakshay Jain	1,228,763.00	28.78%	0.00%
Shrey Jain	627,551.00	14.70%	0.00%
Vandana Chhajer	1,041,276.00	24.39%	0.00%
Name of the Promoters and Promoter's Group	As at 31st March, 2024		% Change during the year
	Nos	% of Holding	
Chhajer Agro Products Pvt. Ltd	579,999	13.58%	-5.81%
Dilip Chhajer	593,112	13.89%	0.93%
Dilip Chhajer (HUF)	198,980	4.66%	0.31%
Lakshay Jain	1,228,763	28.78%	1.93%
Shrey Jain	627,551	14.70%	0.99%
Vandana Chhajer	1,041,276	24.39%	1.64%
Name of the Promoters and Promoter's Group	As at 31st March, 2023		% Change during the year
	Nos	% of Holding	
Chhajer Agro Products Pvt. Ltd	580,000	19.39%	0.00%
Dilip Chhajer	387,500	12.96%	0.00%
Dilip Chhajer (HUF)	130,000	4.35%	0.00%
Lakshay Jain	802,792	26.84%	0.00%
Shrey Jain	410,000	13.71%	0.00%
Vandana Chhajer	680,300	22.75%	0.00%
Name of the Promoters and Promoter's Group	As at 31st March, 2022		% Change during the year
	Nos	% of Holding	
Chhajer Agro Products Pvt. Ltd	580,000	19.39%	19.39%
Dilip Chhajer	387,500	12.96%	12.96%
Dilip Chhajer (HUF)	130,000	4.35%	4.35%
Lakshay Jain	802,792	26.84%	26.84%
Shrey Jain	410,000	13.71%	13.71%
Vandana Chhajer	680,300	22.75%	22.75%

Aggregate number of bonus shares issued, shares allotted as fully paid up pursuant to contract without payment being received in cash and shares bought back during the period of five years immediately preceding the reporting date: Nil

**SWASTH FOODTECH INDIA LIMITED**  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881  
Annexure V- Notes to Restated Financial Information(Continued)  
(Amount in INR lakhs, except for share data unless otherwise stated)

4 RESERVES AND SURPLUS	As at 30th June, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Retained earnings</b>				
As per last Financial Statement	197.07	3.83	1.14	-
Add: Transfer from Statement of Profit and Loss	88.24	193.24	2.69	1.14
	<u>285.31</u>	<u>197.07</u>	<u>3.83</u>	<u>1.14</u>
	<u>285.31</u>	<u>197.07</u>	<u>3.83</u>	<u>1.14</u>
<b>5 LONG TERM BORROWINGS</b>				
	As at 30th June, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Secured Loan, considered good</b>				
Term Loan from Bank	509.06	542.39	675.71	595.94
Less: Current Maturity of Long Term borrowings*	133.32	133.32	133.32	100.00
	<u>375.74</u>	<u>409.07</u>	<u>542.39</u>	<u>495.94</u>
<b>*Disclosed under the head "Short Term Borrowings"</b> (Refer loan schedule attached with Note 8 : Short Term Borrowings)				
<b>6 DEFERRED TAX LIABILITIES (NET)</b>				
	As at 30th June, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Deferred tax liabilities</b>				
Depreciation and Amotization Expenses	32.50	30.24	18.19	-
<b>Deferred tax Asset</b>				
Provision for Gratuity	(0.18)	(0.13)	(0.10)	-
	<u>32.32</u>	<u>30.11</u>	<u>18.09</u>	<u>-</u>
<b>7 NON CURRENT PROVISIONS</b>				
	As at 30th June, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Provision for Gratuity	1.01	0.80	0.58	-
	<u>1.01</u>	<u>0.80</u>	<u>0.58</u>	<u>-</u>
<b>8 SHORT TERM BORROWINGS</b>				
	As at 30th June, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Loans repayable on demand</b> (Secured, considered good)				
From Bank	-	-	-	-
- Cash Credit	1,294.87	1,654.74	1,424.02	50.21
	<u>1,294.87</u>	<u>1,654.74</u>	<u>1,424.02</u>	<u>50.21</u>
<b>Unsecured Borrowings</b>				
From Directors	-	-	161.21	28.44
From Related parties	123.06	141.74	95.71	61.34
From Others	-	-	25.53	55.83
Current maturities of long term debt	133.32	133.32	133.32	100.00
	<u>1,551.25</u>	<u>1,929.80</u>	<u>1,839.79</u>	<u>295.82</u>

The loan schedules for the above mentioned loan is attached herewith in the following page.

9 CURRENT LIABILITIES - TRADE PAYABLES	As at 30th June, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Total outstanding dues of micro &amp; small enterprises</b>				
-For Goods	13.41	14.61	-	-
-For Expenses	0.02	0.66	-	-
<b>Total outstanding dues of creditors other than micro &amp; small enterprises</b>				
-For Goods	930.53	129.98	231.59	13.33
-For Expenses	4.08	4.56	7.55	-
	<u>948.04</u>	<u>149.81</u>	<u>239.14</u>	<u>13.33</u>

There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 30th June 2024. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

**SWASTH FOODTECH INDIA LIMITED**  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881

(Amount in INR lakhs, unless otherwise stated)

Note : 8 : Short Term Borrowings (Continued)

As at 30th June, 2024

(A) Loan Schedule as at 30th June, 2024

Name of the Lender	Nature of Loan	Rate if Interest	Repayment Term	Balance at period end (Rs. In Lakhs)	Loan Financed (Rs. In Lakhs)	Description
Axis Bank	Cash Credit Loan	Repo+2.05% p.a i.e, 8.55% p.a	On demand	1,294.87	1,400.00	1) Mortgage (Collateral) : Extension of EM of the following Properties on exclusive basis
Axis Bank	Term Loan	Repo+2.05% p.a i.e, 8.55% p.a	Refer Table Below	367.37	600.00	• Factory land and property situated at Billagram Gram Panchayet, P.S. Ausgram, Dist. Purba Bardhaman, Pincode: 713141, West Bengal owned by the Company. • Factory land and building of Chhajer Agro Products Pvt Ltd located at vill & PO Aushgram, beside NH2B Road, Pin-713141, in Burdwan District; (Property-1 to be cross-collateralized with Group entity, Chhajer Agro Products Pvf Ltd., and Property-2 already cross-collateralized with said Group entity)
Axis Bank	Term Loan	Repo+2.05% p.a i.e, 8.55% p.a	Refer Table Below	141.69	200.00	2) Hypothecation (Primary) (Exclusive): Entire Current assets and MFA of the company both present and future. 3) Pledge (Primary/Collateral) (exclusive): Fixed Deposit of Rs. 10Lakhs Personal Guarantee of: 1) Mr. Dilip Chhajer 2) Mrs. Vandana Chhajer 3) Mr. Shrey Jain 4) Mr. Lakshay Jain Corporate Guarantee of: 1) M/s Chhajer Agro Products Pvt Ltd
Loan from Related Parties	Unsecured Loan	NA	On Demand	123.06	NA	Unsecured
<b>Total Financial Indebtness</b>				<b>1,926.99</b>		

**(B) Terms of Repayment of Term Loan:**

(i) Term Loan from Bank amounting to Rs 600 Lakhs is to be repaid over a period of 24 quarters with 12 months moratorium period commencing from June 2022 till March 2028 as per the repayment Schedule given below. Further, such loan carry the interest rate of Repo+ 2.25% p.a. i.e, 8.75% p.a. (w.e.f dt. 21/05/2024 Repo+ - 2.05% p.a i.e, 8.55% p.a)

Financial Year	Quarter	Quarterly equal Installment (Rs. In Lakhs)	Total Payment (Rs. In Lakhs)
2022-2023	4	25.00	100.00
2023-2024	4	25.00	100.00
2024-2025	4	25.00	100.00
2025-2026	4	25.00	100.00
2026-2027	4	25.00	100.00
2027-2028	4	25.00	100.00

(ii) Term Loan from Bank amounting to Rs 200 Lakhs is to be repaid over a period of 24 quarterly installment commencing from 31st December 2022 to 30th September 2028 as per the repayment Schedule given below. Further, such loan carry the interest rate of Repo+ 2.25% p.a. i.e, 8.75% p.a. (w.e.f dt. 21/05/2024 Repo+ - 2.05% p.a i.e, 8.55% p.a)

Financial Year	Quarter	Quarterly equal Installment (Rs. In Lakhs)	Total Payment (Rs. In Lakhs)
2022-2023	2	8.33	16.66
2023-2024	4	8.33	33.32
2024-2025	4	8.33	33.32
2025-2026	4	8.33	33.32
2026-2027	4	8.33	33.32
2027-2028	4	8.33	33.32
2028-2029	2	8.33	16.74

Note:

As at 30th June, 2024, the Register of charges of the company as available in records of Ministry of Corporate Affairs includes charges which has been created against the credit facilities taken from Axis Bank.

The company has used the borrowings from the bank for the purpose for which it was taken at the balance sheet date.

As on June 30, 2024 the Company is yet to file any quarterly returns or statements with the bank in lieu of the sanction working capital facilities.

SWASTH FOODTECH INDIA LIMITED  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881  
(Amount in INR Lakhs, unless otherwise stated)  
Note : 8 : Short Term Borrowings (Continued)

As at 31st March, 2024

(A) Loan Schedule as at 31st March, 2024

Name of the Lender	Nature of Loan	Rate if Interest	Repayment Term	Balance at year end (Rs. In Lakhs)	Loan Financed (Rs. In Lakhs)	Description
Axis Bank	Cash Credit Loan	Repo+2.25% p.a i.e, 8.75%	On demand	1,402.55	1,400.00	1) Mortgage (Collateral) :
Axis Bank	Term Loan	Repo+2.25% p.a i.e.	Refer table below	392.37	600.00	Extension of EM of the following Properties on exclusive basis • Factory land and property situated at Billagram Gram Panchayet, P.S. Ausgram, Dist. Purba Bardhaman, Pincode: 713141, West Bengal owned by the Company. • Factory land and building of Chhajer Agro Products Pvt Ltd located at vill & PO Aushgram, beside NH2B Road, Pin-713141, in Burdwan District; (Property-1 to be cross-collateralized with Group entity, Chhajer Agro Products Pvf Ltd., and Property-2 already cross-collateralized with said Group entity) 2) Hypothecation (Primary) (Exclusive): Entire Current assets and MFA of the company both present and future. 3) Pledge (Primary/Collateral) (exclusive): Fixed Deposit of Rs. 10Lakhs Personal Guarantee of: 1) Mr. Dilip Chhajer 2) Mrs. Vandana Chhajer 3) Mr. Shrey Jain 4) Mr. Lakshay Jain Corporate Guarantee of: 1) M/s Chhajer Agro Products Pvt Ltd
Axis Bank	Term Loan	Repo+2.25% p.a i.e, 8.75% p.a	Refer table below	150.02	200.00	Loan is Secured by Hypothecation of entire Current assets and MFA of the company both present and future Personal Guarantee of: 1) Mr. Dilip Chhajer 2) Mrs. Vandana Chhajer 3) Mr. Shrey Jain 4) Mr. Lakshay Jain Corporate Guarantee of: 1) M/s Chhajer Agro Products Pvt Ltd
Axis Bank	Adhoc Facility	Repo+3.25% p.a i.e, 9.75% p.a	3 Months	252.19	250.00	Loan is Secured by Hypothecation of entire Current assets and MFA of the company both present and future Personal Guarantee of: 1) Mr. Dilip Chhajer 2) Mrs. Vandana Chhajer 3) Mr. Shrey Jain 4) Mr. Lakshay Jain Corporate Guarantee of: 1) M/s Chhajer Agro Products Pvt Ltd
Loan from Related Parties	Unsecured Loan	NA	On Demand	141.74	NA	Unsecured
<b>Total Financial Indebtness</b>				2,338.87		

(B) Terms of Repayment of Term Loan:

(i)Term Loan from Bank amounting to Rs 600 Lakhs is to be repaid over a period of 24 quarters with 12 months moratorium period commencing from June 2022 till March 2028 as per the repayment Schedule given below. Further, such loan carry the interest rate of Repo+ 2.25% p.a. i.e, 8.75% p.a.

Financial Year	Quarter	Quarterly equal Installment (Rs. In Lakhs)	Total Payment (Rs. In Lakhs)
2022-2023	4	25.00	100.00
2023-2024	4	25.00	100.00
2024-2025	4	25.00	100.00
2025-2026	4	25.00	100.00
2026-2027	4	25.00	100.00
2027-2028	4	25.00	170.00

**SWASTH FOODTECH INDIA LIMITED**  
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CIN : U15490WB2021PLC242881

(Amount in INR lakhs, unless otherwise stated)

**Note : 8 : Short Term Borrowings (Continued)**

(ii) Term Loan from Bank amounting to Rs 200 Lakhs is to be repaid over a period of 24 quarterly installment commencing from 31st December 2022 to 30th September 2028 as per the repayment Schedule given below. Further, such loan carry the interest rate of Repo+ 2.25% p.a. i.e, 8.75% p.a.

Financial Year	Quarter	Quarterly equal Installment (Rs. In Lakhs)	Total Payment (Rs. In Lakhs)
2022-2023	2	8.33	16.66
2023-2024	4	8.33	33.32
2024-2025	4	8.33	33.32
2025-2026	4	8.33	33.32
2026-2027	4	8.33	33.32
2027-2028	4	8.33	33.32
2028-2029	2	8.33	16.74

Note:

As at 31st March, 2024, the Register of charges of the company as available in records of Ministry of Corporate Affairs includes charges which has been created against the credit facilities taken from Axis Bank except for sanction of adhoc. The company has used the borrowings from the bank for the purpose for which it was taken at the balance sheet date.

**(C) Details of quarterly returns submitted with Bank**

The Company has filed quarterly returns or statements with the bank in lieu of the sanctioned working capital facilities, which are in agreement with the unaudited books of accounts other than those as set out below:

Sl. No.	Name of The Bank	Aggregate workings Capital Limit sanctioned (Rs. In Lakhs)	Quarter Ended	Nature of Transaction Heads	Amount Disclosed as per monthly return/ statement	Amount as per Books of Accounts	Differences	Reasons of Variance
1	Axis	1,400.00	June-23	Inventories	1,737.67	1,333.76	403.91	Note-I
				Trade Payable	89.25	539.01	(449.76)	
				Trade Receivable	312.82	78.90	233.92	
2	Axis	1,400.00	Sept-23	Inventories	1,545.02	1,274.78	270.24	
				Trade Payable	69.34	399.22	(329.88)	
				Trade Receivable	303.60	203.21	100.39	
3	Axis	1,650.00	Dec-23	Inventories	1,732.88	1,280.37	452.51	
				Trade Payable	189.50	348.91	(159.41)	
				Trade Receivable	597.00	646.85	(49.85)	
4	Axis	1,650.00	Mar-24	Inventories	1,831.12	1,765.32	65.80	
				Trade Payable	45.56	144.59	(99.03)	
				Trade Receivable	84.98	84.98	-	

**Note-I**

Differences in Trade Payables is primarily due to non inclusion of certain trade payables in stock statement which were forming part of creditors for goods.

Differences in Trade Receivables is primarily due to inclusion of certain other receivables in stock statement which were not forming part of debtors.

Differences in Inventory Valuations is primarily because of data being prepared on provisional basis.

The company has used the borrowings from the bank for the purpose for which it was taken at the balance sheet date.

SWASTH FOODTECH INDIA LIMITED  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881  
(Amount in INR lakhs, unless otherwise stated)  
Note : 8 : Short Term Borrowings (Continued)  
As at 31st March, 2023  
(A) Loan Schedule as at 31st March, 2023

Name of the Lender	Nature of Loan	Rate if Interest	Repayment Term	Balance at year end (Rs. In Lakhs)	Loan Financed (Rs. In Lakhs)	Description
Axis Bank	Cash Credit Loan	Repo+2.60% p.a	On demand	1424.02	1,400.00	1) Mortgage (Collateral) : Extension of EM of the following Properties on exclusive basis • Factory land and property situated at Billagram Gram Panchayet, P.S. Ausgram, Dist. Purba Bardhaman, Pincode: 713141, West Bengal owned by the Company.
Axis Bank	Term Loan	Repo+3.10% p.a	Refer table below	492.36	600.00	• Factory land and building of Chhajer Agro Products Pvt Ltd located at vill & PO Aushgram, beside NH2B Road, Pin-713141, in Burdwan District; (Property-1 to be cross-collateralized with Group entity, Chhajer Agro Products Pvt Ltd., and Property-2 already cross-collateralized with said Group entity) 2) Hypothecation (Primary) (Exclusive): Entire Current assets and MFA of the company both present and future. 3) Pledge (Primary/Collateral) (exclusive): Fixed Deposit of Rs. 10Lakhs
Axis Bank	Term Loan	Repo+3.10% p.a	Refer table below	183.35	200.00	Personal Guarantee of: 1) Mr. Dilip Chhajer 2) Mrs. Vandana Chhajer 3) Mr. Shrey Jain 4) Mr. Lakshay Jain Corporate Guarantee of: 1) M/s Chhajer Agro Products Pvt Ltd
Loan from Directors	Unsecured Loan	NA	On demand	161.21	NA	Unsecured
Loan from Related Parties	Unsecured Loan	NA	On demand	95.71	NA	Unsecured
Loan from Other Parties	Unsecured Loan	NA	On demand	25.53	NA	Unsecured
<b>Total Financial Indebtness</b>				<b>2,382.18</b>		

**(B) Terms of Repayment of Term Loan:**

(i) Term Loan from Bank amounting to Rs 600 Lakhs is to be repaid over a period of 24 quarters with 12 months moratorium period commencing from June 2022 till March 2028 as per the repayment Schedule given below. Further, such loan carry the interest rate of Repo+ 3.10% p.a.

Financial Year	Quarter	Quarterly equal Installment (Rs. In Lakhs)	Total Payment (Rs. In Lakhs)
2022-2023	4	25.00	100.00
2023-2024	4	25.00	100.00
2024-2025	4	25.00	100.00
2025-2026	4	25.00	100.00
2026-2027	4	25.00	100.00
2027-2028	4	25.00	100.00

(ii) Term Loan from Bank amounting to Rs 200 Lakhs is to be repaid over a period of 24 quarterly installment commencing from 31st December 2022 to 30th September 2028 as per the repayment Schedule given below. Further, such loan carry the interest rate of Repo+ 3.10% p.a.

Financial Year	Quarter	Quarterly equal Installment (Rs. In Lakhs)	Total Payment (Rs. In Lakhs)
2022-2023	2	8.33	16.66
2023-2024	4	8.33	33.32
2024-2025	4	8.33	33.32
2025-2026	4	8.33	33.32
2026-2027	4	8.33	33.32
2027-2028	4	8.33	33.32
2028-2029	2	8.33	16.74

**SWASTH FOODTECH INDIA LIMITED**  
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(Amount in INR lakhs, unless otherwise stated)  
Note : 8 : Short Term Borrowings (Continued)

As at 31st March, 2023, the Register of charges of the company as available in records of Ministry of Corporate Affairs includes charges which has been created against the credit facilities taken from Axis Bank. The company has used the borrowings from the bank for the purpose for which it was taken at the balance sheet date.

The Company has filed quarterly returns or statements with the bank in lieu of the sanctioned working capital facilities, which are in agreement with the unaudited books of accounts other than those as set out below.

Sl. No.	Name of The Bank	Aggregate workings Capital Limit sanctioned (Rs. In Lakhs)	Quarter Ended	Nature of Transaction Heads	Amount Disclosed as per monthly return/ statement	Amount as per Books of Accounts	Differences	Reasons of Variance
1	Axis	1,400.00	June-22	Inventories	533.96		341.76	192.20
				Trade Payable	24.02		207.78	(183.76)
				Trade Receivable	90.48		70.56	19.92
2	Axis	1,400.00	Sept-22	Inventories	928.43		775.39	153.04
				Trade Payable	298.10		410.36	(112.26)
				Trade Receivable	179.72		179.74	(0.02)
3	Axis	1,400.00	Dec-22	Inventories	1,246.98		1069.95	177.03
				Trade Payable	108.23		133.55	(25.32)
				Trade Receivable	218.16		220.40	(2.24)
4	Axis	1,400.00	Mar-23	Inventories	1,846.71		1480.27	366.44
				Trade Payable	206.72		231.59	(24.87)
				Trade Receivable	179.78		91.43	88.35

Note : 1

**Note-1**

Differences in Trade Payables is primarily due to non inclusion of certain trade payables in stock statement which were forming part of creditors for goods.

Differences in Trade Receivables is primarily due to inclusion of certain other receivables in stock statement which were not forming part of debtors.

Differences in Inventory Valuations is primarily because of data being prepared on provisional basis.

As at 31st March, 2022

**(A) Loan Schedule as at 31st March, 2022**

Name of the Lender	Nature of Loan	Rate if Interest	Repayment Term	Balance at year end (Rs. In Lakhs)	Loan Financed (Rs. In Lakhs)	Security
Axis Bank	Cash Credit Loan	Repo+3.10% p.a	On demand	50.21	200.00	1) Mortgage (Collateral) (Exclusive):Immovable Property Situated at: a) Exclusive EM of proposed factory land. b) Extension of charge on factory land and building of Chhajer Agro Product Private Limited located vill & PO Aushgram, beside NH2B Road, Pin-713141,in Burdwan District.
Axis Bank	Term Loan	Repo+3.10% p.a	Refer Table Below	595.94	600.00	2) Hypothecation (Primary) (Exclusive): Entire Current assets and MFA of the company both present and future. 3) Pledge (Primary/Collateral) (exclusive): Fixed Deposit of Rs. 30 Lakhs 4) Guarantee (Primary/Collateral): Personal Guarantee of: 1) Mr. Dilip Chhajer 2) Mrs Vandana Chhajer 3) Mr Shrey Jain Corporate Guarantee of:
Loan from Directors	Unsecured Loan	NA	On demand	28.44	NA	Unsecured
Loan from Related Parties	Unsecured Loan	NA	On demand	61.34	NA	Unsecured
Loan from Other Parties	Unsecured Loan	NA	On demand	55.83	NA	Unsecured
<b>Total Financial Indebtness</b>				791.76		

**Terms of Repayment:**

(i)Term Loan from Bank is to be repaid over a period of 24 quarters with 12 months moratorium period commencing from June 2022 as per the repayment Schedule given below. Further, such loan carry the

Financial Year	Quarter	Quarterly equal	Total Payment (Rs. In Lakhs)
2022-2023	4	25.00	100.00
2023-2024	4	25.00	100.00
2024-2025	4	25.00	100.00
2025-2026	4	25.00	100.00
2026-2027	4	25.00	100.00
2027-2028	4	25.00	100.00

**Note:**

As at 31st March, 2022, the Register of charges of the company as available in records of Ministry of Corporate Affairs includes charges which has been created against the credit facilities taken from Axis

The company has used the borrowings from the bank or the purpose for which it was taken at the balance sheet date.

As on March 31, 2022, the Company has not filed any quarterly returns or statements with the bank in lieu of the sanction working capital facilities.

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Annexure V- Notes to Restated Financial Information(Continued)

**Note No. 9 : Trade Payables (Continued)**

**Trade Payables ageing schedule as on 30th June, 2024**

Particulars	Outstanding for Following periods From due date of payments				
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME	13.43	-	-	-	13.43
Others	934.61	-	-	-	934.61
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
<b>Total Trade Payables</b>	<b>948.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>948.04</b>

**Trade Payables ageing schedule as on 31st March, 2024**

Particulars	Outstanding for Following periods From due date of payments				
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME	15.27	-	-	-	15.27
Others	134.54	-	-	-	134.54
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
<b>Total Trade Payables</b>	<b>149.81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>149.81</b>

**Trade Payables ageing schedule as on 31st March, 2023**

Particulars	Outstanding for Following periods From due date of payments				
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME	-	-	-	-	-
Others	239.14	-	-	-	239.14
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
<b>Total Trade Payables</b>	<b>239.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>239.14</b>

**Trade Payables ageing schedule as on 31st March, 2022**

Particulars	Outstanding for Following periods From due date of payments				
	Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
MSME	-	-	-	-	-
Others	13.33	-	-	-	13.33
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
<b>Total Trade Payables</b>	<b>13.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.33</b>



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<b>10 OTHER CURRENT LIABILITIES</b>	<b>As at 30th June, 2024</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
<b>Statutory dues</b>				
-GST Payable	0.39	0.18	0.01	0.17
-TDS Payable	2.71	2.03	1.40	0.80
-PF Payable	0.41	0.21	0.19	-
-ESIC Payable	0.07	0.03	0.31	-
-Professional Tax Payable	0.01	-	-	-
Creditors for Capital Expenditure	3.74	-	28.85	136.25
Liability for Expenses	17.22	15.73	17.07	2.10
Advance Received From Customers	0.10	21.38	68.49	20.35
	<b>24.65</b>	<b>39.56</b>	<b>116.32</b>	<b>159.67</b>
<b>11 SHORT TERM PROVISIONS</b>	<b>As at 30th June, 2024</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
<b>Provision for employee benefits</b>				
Provision for Gratuity	-	-	-	-
<b>Current Tax Liability</b>				
Current Tax Liability (Net of TDS & TCS : 2.00 Lakhs; (FY 2023-24 : Rs 9.78 Lakhs FY 2022-23 Rs. NIL; FY 2021-22- Rs 0.30 Lakhs)	14.84	0.77	-	0.09
	<b>14.84</b>	<b>0.77</b>	<b>-</b>	<b>0.09</b>
<b>14 CAPITAL WORK IN PROGRESS</b>				
Capital Work In Progress	-	-	-	1,068.45
	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,068.45</b>
<b>15 OTHER NON CURRENT ASSETS</b>	<b>30th June, 2024</b>	<b>31st March, 2024</b>	<b>31st March, 2023</b>	<b>31st March, 2022</b>
(Unsecured, Considered good)				
Security Deposits	52.92	44.92	35.36	34.33
	<b>52.92</b>	<b>44.92</b>	<b>35.36</b>	<b>34.33</b>
<b>16 INVENTORIES</b> (As taken, valued and certified by the management)				
Finished Goods	649.04	732.18	541.81	-
Work-in progress	670.78	695.50	874.95	-
Raw Materials	653.34	231.68	6.51	-
Consumable stores	38.40	55.41	43.35	-
Stock in Trade	62.00	50.55	13.65	-
	<b>2,073.56</b>	<b>1,765.32</b>	<b>1,480.27</b>	<b>-</b>
<b>17 TRADE RECEIVABLES</b>	<b>As at 30th June, 2024</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
Trade receivables - unsecured(exceeding six months from the date they are due for payment)				
Considered good				
Related parties	-	-	-	-
Others	3.73	1.77	-	-
	3.73	1.77	-	-
Trade receivables - unsecured( less than six months from the date they are due for payment)				
Considered good				
Related parties	14.48	14.48	-	-
Others	206.53	68.73	91.43	-
	<b>221.01</b>	<b>83.21</b>	<b>91.43</b>	<b>-</b>
<b>Total Trade Receivables</b>	<b>224.73</b>	<b>84.98</b>	<b>91.43</b>	<b>-</b>

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Annexure V- Notes to Restated Financial Information(Continued)

**Note 17 : Trade Receivables (Continued)**

**Trade Receivables ageing schedule as on 30th June, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade receivable-considered good	221.00	3.73	-	-	-	224.73
Undisputed trade receivable-which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivable-credit impaired	-	-	-	-	-	-
Disputed trade receivable -considered good	-	-	-	-	-	-
Disputed trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable-credit impaired	-	-	-	-	-	-

**Trade Receivables ageing schedule as on 31st March, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade receivable-considered good	83.21	1.77	-	-	-	84.98
Undisputed trade receivable-which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivable-credit impaired	-	-	-	-	-	-
Disputed trade receivable -considered good	-	-	-	-	-	-
Disputed trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable-credit impaired	-	-	-	-	-	-

**Trade Receivables ageing schedule as on 31st March, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade receivable-considered good	91.43	-	-	-	-	91.43
Undisputed trade receivable-which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivable-credit impaired	-	-	-	-	-	-
Disputed trade receivable -considered good	-	-	-	-	-	-
Disputed trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable-credit impaired	-	-	-	-	-	-

**Trade Receivables ageing schedule as on 31st March, 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 Months	6 Months-1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade receivable-considered good	-	-	-	-	-	-
Undisputed trade receivable-which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivable-credit impaired	-	-	-	-	-	-
Disputed trade receivable -considered good	-	-	-	-	-	-
Disputed trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable-credit impaired	-	-	-	-	-	-

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Annexure V- Notes to Restated Financial Information(Continued)

Note : 12 & 13

12 PROPERTY, PLANT AND EQUIPMENT

Schedule for the year ended 30th June,2024

DESCRIPTION	Gross Block				Depreciation				Net Block	Net Block
	As At	Additions During	Adjustment/ Deduction during	As At	As At	Depreciation During	Adjustment/ Deduction during	As At	As At	As At
Property, plant and equipment (PPE)	1st April, 2024	the year	the year	30th June, 2024	1st April, 2024	The Year	the Year	30th June, 2024	30th June, 2024	31st March, 2024
Land	62.90	-	-	62.90	-	-	-	-	62.90	62.90
Plant & Machinery	787.15	9.28	-	796.43	87.14	12.47	-	99.61	696.82	700.01
Buildings	286.60	2.95	-	289.55	15.48	2.27	-	17.75	271.80	271.13
Electrical Installation & Equipment	96.03	-	-	96.03	16.18	2.27	-	18.45	77.58	79.85
Computer & Printer	0.14	-	-	0.14	0.08	0.01	-	0.09	0.05	0.06
Vehicle	0.42	-	-	0.42	0.07	0.01	-	0.08	0.34	0.35
Laboratory Equipment	5.26	-	-	5.26	1.65	0.25	-	1.90	3.36	3.61
<b>Total</b>	<b>1,238.51</b>	<b>12.23</b>	<b>-</b>	<b>1,250.74</b>	<b>120.61</b>	<b>17.28</b>	<b>-</b>	<b>137.89</b>	<b>1,112.85</b>	<b>1,117.91</b>

13. OTHER INTANGIBLE ASSETS

Schedule for the year ended 30th June,2024

DESCRIPTION	Gross Block				Depreciation				Net Block	Net Block
	As At	Additions During	Adjustment/ Deduction during	As At	As At	Depreciation During	Adjustment/ Deduction during	As At	As At	As At
Intangible Assets	1st April, 2024	the year	the year	30th June, 2024	1st April, 2024	The Year	the Year	30th June, 2024	30th June, 2024	31st March, 2024
Software	0.14	-	-	0.14	0.04	0.01	-	0.05	0.10	0.10
<b>Total</b>	<b>0.14</b>	<b>-</b>	<b>-</b>	<b>0.14</b>	<b>0.04</b>	<b>0.01</b>	<b>-</b>	<b>0.05</b>	<b>0.10</b>	<b>0.10</b>

12 PROPERTY, PLANT AND EQUIPMENT

Schedule for the year ended March 31 2024

DESCRIPTION	Gross Block				Depreciation				Net Block	Net Block
	As At	Additions During	Adjustment/ Deduction during	As At	As At	Depreciation During	Adjustment/ Deduction during	As At	As At	As At
Property, plant and equipment (PPE)	1st April, 2023	the year	the year	31st March, 2024	1st April, 2023	The Year	the Year	31st March, 2024	31st March, 2024	31st March, 2023
Land	62.90	-	-	62.90	-	-	-	-	62.90	62.90
Plant & Machinery	780.17	6.98	-	787.15	37.58	49.56	-	87.14	700.01	742.59
Buildings	286.60	-	-	286.60	6.40	9.08	-	15.48	271.13	280.20
Electrical Installation & Equipment	96.03	-	-	96.03	7.06	9.12	-	16.18	79.85	88.97
Computer & Printer	0.14	-	-	0.14	0.03	0.04	-	0.08	0.06	0.11
Vehicle	0.42	-	-	0.42	0.03	0.04	-	0.07	0.35	0.39
Laboratory Equipment	5.26	-	-	5.26	0.65	1.00	-	1.65	3.61	4.61
<b>Total</b>	<b>1,231.53</b>	<b>6.98</b>	<b>-</b>	<b>1,238.51</b>	<b>51.77</b>	<b>68.84</b>	<b>-</b>	<b>120.61</b>	<b>1,117.91</b>	<b>1,179.77</b>

SWASTH FOODTECH INDIA LIMITED  
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Annexure V- Notes to Restated Financial Information(Continued)  
Note : 12 & 13 (Continued)

**13 OTHER INTANGIBLE ASSETS**  
Schedule for the year ended March 31 2024

DESCRIPTION	Gross Block				Depreciation				Net Block	Net Block
	As At	Additions	Adjustment/	As At	As At	Depreciation	Adjustment/	As At	As At	As At
	1st April, 2023	During the year	Deduction during the year	31st March, 2024	1st April, 2023	During The Year	Deduction during the Year	31st March, 2024	31st March, 2024	31st March, 2023
Intangible Assets										
Software	0.14	-	-	0.14	0.02	0.02	-	0.04	0.10	0.13
<b>Total</b>	<b>0.14</b>	<b>-</b>	<b>-</b>	<b>0.14</b>	<b>0.02</b>	<b>0.02</b>	<b>-</b>	<b>0.04</b>	<b>0.10</b>	<b>0.13</b>

**12 PROPERTY, PLANT AND EQUIPMENT**  
Schedule for the year ended March 31 2023

DESCRIPTION	Gross Block				Depreciation				Net Block	Net Block
	As At	Additions	Adjustment/	As At	As At	Depreciation	Adjustment/	As At	As At	As At
	1st April, 2022	During the year	Deduction during the year	31st March, 2023	1st April, 2022	During The Year	Deduction during the Year	31st March, 2023	31st March, 2023	31st March, 2022
Property, plant and equipment (PPE)										
Land	-	62.90	-	62.90	-	-	-	-	62.90	-
Plant & Machinery	-	780.17	-	780.17	-	37.58	-	37.58	742.59	-
Buildings	-	286.60	-	286.60	-	6.40	-	6.40	280.20	-
Electrical Installation & Equipment	-	96.03	-	96.03	-	7.06	-	7.06	88.97	-
Computer & Printer	-	0.14	-	0.14	-	0.03	-	0.03	0.11	-
Vehicle	-	0.42	-	0.42	-	0.03	-	0.03	0.39	-
Laboratory Equipment	-	5.26	-	5.26	-	0.65	-	0.65	4.61	-
<b>Total</b>	<b>-</b>	<b>1,231.53</b>	<b>0.00</b>	<b>1,231.53</b>	<b>0.00</b>	<b>51.77</b>	<b>0.00</b>	<b>51.77</b>	<b>1,179.77</b>	<b>0.00</b>

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Annexure V- Notes to Restated Financial Information(Continued)  
Note : 12 & 13 (Continued)  
13 OTHER INTANGIBLE ASSETS  
Schedule for the year ended March 31 2023

DESCRIPTION	Gross Block				Depreciation				Net Block	
	As At	Additions	Adjustment/ Deduction during	As At	As At	Depreciation	Adjustment/ Deduction during	As At	As At	As At
	1st April, 2022	During the year	the year	31st March, 2022	1st April, 2021	During The Year	the Year	31st March, 2022	31st March, 2022	31st March, 2021
Intangible Assets										
Software	-	0.14	-	0.14	-	0.02	-	0.02	0.12	-
<b>Total</b>	-	<b>0.14</b>	-	<b>0.14</b>	-	<b>0.02</b>	-	<b>0.02</b>	<b>0.12</b>	-

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Annexure V- Notes to Restated Financial Information(Continued)

Note 14 : Capital Work in Progress (Continued)  
Schedule for the year ended March 31, 2023

Description	As at 01-04-2022	Addition during the period	Adjustment/ Deduction during the year	As at 31-03-2023
Capital Work-in-Progress	1,068.45	118.59	1,187.04	-
<b>Total</b>	<b>1,068.45</b>	<b>118.59</b>	<b>1,187.04</b>	<b>-</b>

There are no project whose completion is overdue or has exceeded its cost compared to its original plan. Further there are no projects which are temporarily suspended.

**A. Capitalisation of Pre Operative Expenses.**

Capital Work In Progress at the beginning of the FY 2022-23 includes Pre operative expenses of Rs.26.16 Lakhs. During the Financial Year 2022-23, Company has incurred directly attributable expenditure related to construction of Property, plant and equipment & building amounting to Rs. 23.66 Lakhs However the same has been capitalized during the Financial Year 2022-23

Details of the expenses capitalised are given below:

Particulars	As at 31st March 2023
Opening Pre- Operative Expenses as on 01.04.2022	26.16
Expenditure incurred during the FY 2022-23	
Employee Benefits Expense:	
a) Director Salaries	4.50
b) Salary	1.69
Interest cost	2.15
Other Expenses	
a) Electricity Charges	9.86
b) Pollution Fees	-
c) Bank Charges	5.47
Total Expenditure as at 31st March 2023	49.82
Less: Capitalised during the FY 2022-23	(49.82)
Carried forward as part of Capital work -in -progress	-

Schedule for the year ended March 31, 2022

Description	As at 02-02-2021	Addition during the period	Sales/Disposals	As at 31-03-2022
Capital Work-in-Progress	-	1,068.45	-	1,068.45
<b>Total</b>	<b>-</b>	<b>1,068.45</b>	<b>-</b>	<b>1,068.45</b>

Capital Work In Progress includes Pre operative expenses of Rs.26.16 Lakhs.

**A. Capital Work In Progress Ageing**

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

**Capital work-in-progress**

Projects in progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2years	2-3years	More than 3 years	

Projects in progress	1,068.45	-	-	-	1,068.45
	<b>1,068.45</b>	-	-	-	<b>1,068.45</b>

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 Annexure V- Notes to Restated Financial Information(Continued)

There are no project whose completion is overdue or has exceeded its cost compared to its original plan. Further there are no projects which are temporarily suspended.

**B. Capitalisation of Item (Pre Operative Expenses)**

During the year 2021-22, Company has incurred directly attributable expenditure related to construction of Property, plant and equipment & building and therefore accounted for the same under CWIP.

Details of the expenses capitalised and carried forward are given below:

Particulars	(Rs. In Lakhs) As at 31st March 2023
Opening Pre- Operative Expenses	-
Expenditure incurred during the year:	
Employee Benefits Expense:	
a) Director Salaries	14.40
b) Salary	2.28
<b>Interest cost</b>	5.07
Other Expenses	
a) Electricity Charges	3.44
b) Pollution Fees	0.97
Total Expenditure during the year	26.16
Less: Capitalised during the year	-
Carried forward as part of Capital work -in -progress	26.16

C. Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual plan.



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**Annexure V- Notes to Restated Financial Information(Continued)**  
**(Amount in INR lakhs, except for share data unless otherwise stated)**

	As at 30th June, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>18 CASH &amp; CASH EQUIVALENTS</b>				
Balance with banks				
(a) In current accounts	55.53	30.41	103.94	4.53
(b) Cash and stamps on hand	5.57	7.70	6.53	0.54
	<b>61.10</b>	<b>38.11</b>	<b>110.47</b>	<b>5.07</b>
<b>19 SHORT-TERM LOANS &amp; ADVANCES</b>				
(Unsecured, considered good)				
Capital Advances	5.00	-	-	22.00
Advance to suppliers against supply of goods and services	3.35	5.01	0.11	-
Balance with Government Authorities	22.84	37.85	144.77	134.48
TDS, TCS & Advance Tax (Net of Provision- Rs Nil (P.Y-Nil))	0.65	0.65	15.24	-
Prepaid Expenses	4.26	4.56	1.66	0.72
	<b>36.10</b>	<b>48.07</b>	<b>161.78</b>	<b>157.20</b>
	<b>36.10</b>	<b>48.07</b>	<b>161.78</b>	<b>157.20</b>
<b>20 OTHER CURRENT ASSETS</b>				
(Unsecured, considered good)				
Subsidy Receivable (Refer Note : 22)	98.77	84.55	-	-
	<b>98.77</b>	<b>84.55</b>	<b>-</b>	<b>-</b>

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Annexure V- Notes to Restated Financial Information(Continued)

	For the period ended 30th June, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the period 2nd February, 2021 to 31st March, 2022
<b>21 REVENUE FROM OPERATIONS</b>				
a) <b>Sales of Products Comprises :</b>				
<b>Manufactured Goods</b>				
Rice Bran Refined Oil	3,458.49	11,717.03	7,490.15	-
Others	238.55	955.19	656.03	-
	<b>3,697.04</b>	<b>12,672.22</b>	<b>8,146.18</b>	-
<b>Traded goods</b>				
Rice Bran Refined Oil	-	0.27	566.32	-
Maize	-	49.45	-	-
De Oiled Rice Bran	-	8.92	-	-
Palmolein Oil	-	-	35.15	-
Fatty	-	101.18	-	-
Husk	-	21.98	-	-
Rice Bran Crude Oil	338.18	470.96	1,241.99	122.10
	<b>338.18</b>	<b>652.76</b>	<b>1,843.46</b>	<b>122.10</b>
<b>Total Revenue from operations</b>	<b>4,035.22</b>	<b>13,324.98</b>	<b>9,989.64</b>	<b>122.10</b>
<b>22 OTHER INCOME</b>				
a) <b>Interest Income</b>				
Interest on security deposit	-	1.47	1.15	0.48
Interest on Income Tax Refund	-	0.66	-	-
Insurance charges received	0.26	0.68	1.13	-
Liability Written Back	0.01	19.83	1.06	-
Discount Received	0.34	-	0.57	-
Subsidy Received (Note 1)	14.22	84.55	-	-
<b>Total other income</b>	<b>14.83</b>	<b>107.19</b>	<b>3.91</b>	<b>0.48</b>
<b>Note-1</b> The Company has recognized incentive under the "Banglashree" for Micro, Small & Medium Enterprises as notified on 24.07.2020 in respect of the following :				
(A) Interest subsidy on term loan amounting to :				
-Rs. 5.94 Lakhs (FY-21-22),				
-Rs. 15.80 Lakhs (FY-22-23) ,				
-Rs. 13.99 Lakhs (FY-23-24), and;				
-Rs. 2.93 Lakhs (For the Period 1st April 2024 to 30th June, 2024);				
(B)Power Subsidy amounting to :				
-Rs. 18.93 Lakhs (FY- 2022-23),				
-Rs. 27.23 Lakhs(FY-23-24) &				
-Rs. 6.62 Lakhs (For the Period 1st April 2024 to 30th June, 2024)				
and				
(C)Subsidy on Electricity Duty paid : Rs. 4.67 Lakhs				
(D)Subsidy on registry fees Rs. 2.66 Lakhs.				
<b>23 Purchases of Traded Goods</b>				
Rice Bran Crude Oil	327.82	491.12	1,229.89	96.99
Palmolien Oil	-	-	33.94	-
Rice Bran Refined Oil	-	-	531.79	-
De Oiled Rice Bran	-	8.31	-	-
Maize	-	40.31	-	-
Fatty	-	46.57	-	-
Husk	18.01	20.25	-	-
<b>Total purchase on traded goods</b>	<b>345.83</b>	<b>606.56</b>	<b>1,795.62</b>	<b>96.99</b>
<b>24 COST OF MATERIAL CONSUMED</b>				
Opening Stock	287.09	49.86	-	-
Add: Purchases during the year	3,782.13	12,423.48	9,283.61	-
	4,069.22	12,473.34	9,283.61	-
Less: Closing Stock	691.74	287.09	49.86	-
	<b>3,377.48</b>	<b>12,186.25</b>	<b>9,233.75</b>	-
<b>Material Consumed Comprises :</b>				
Rice Bran Crude Oil	3,319.78	11,896.89	9,121.45	-
Husk	22.86	111.53	37.27	-
Other Chemical	34.84	177.83	75.03	-
	<b>3,377.48</b>	<b>12,186.25</b>	<b>9,233.75</b>	-

SWASTH FOODTECH INDIA LIMITED  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881

(Amount in INR lakhs, except for share data unless otherwise stated)

Annexure V- Notes to Restated Financial Information(Continued)

	For the period ended 30th June, 2024	For the year ended 31st March, 2024	For the year ended 31st March, 2023	For the period 2nd February, 2021 to 31st March, 2022
<b>25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS</b>				
<b>Opening Stock</b>				
Finished Goods	732.18	541.81	-	-
Work in Progress	695.50	874.95	-	-
Stock in Trade	50.55	13.65	-	-
	<u>1,478.23</u>	<u>1,430.41</u>	<u>-</u>	<u>-</u>
<b>Closing Stock</b>				
Finished Goods	649.04	732.18	541.81	-
Work in Progress	670.78	695.50	874.95	-
Stock in Trade	62.00	50.55	13.65	-
	<u>1,381.82</u>	<u>1,478.23</u>	<u>1,430.41</u>	<u>-</u>
<b>Net (Increase)/ Decrease</b>	<b><u>96.41</u></b>	<b><u>(47.82)</u></b>	<b><u>(1,430.41)</u></b>	<b><u>-</u></b>
<b>26 EMPLOYEE BENEFITS EXPENSE</b>				
Salaries including Director's Remuneration	4.24	21.30	22.22	-
Contribution to Provident Fund	0.55	1.35	1.02	-
Contribution to ESIC	0.14	0.34	0.25	-
Gratuity Expenses	0.22	0.21	0.59	-
<b>Total Employee benefit expenses</b>	<b><u>5.15</u></b>	<b><u>23.20</u></b>	<b><u>24.08</u></b>	<b><u>-</u></b>
<b>27 FINANCE COSTS</b>				
Interest Expense		-	-	-
To Banks	39.55	174.44	103.88	0.90
To Others	5.61	12.28	11.95	-
Other Borrowings Cost	1.40	0.80	1.50	-
<b>Total Finance cost</b>	<b><u>46.56</u></b>	<b><u>187.52</u></b>	<b><u>117.33</u></b>	<b><u>0.90</u></b>
<b>28 DEPRECIATION AND AMORTISATION</b>				
Tangible Assets	17.28	68.84	51.77	-
Intangible Assets	0.01	0.02	0.02	-
<b>Total Depreciation and Amortisation</b>	<b><u>17.29</u></b>	<b><u>68.86</u></b>	<b><u>51.79</u></b>	<b><u>-</u></b>
<b>Note : Refer to Note No. 12 &amp; 13</b>				
<b>29 OTHER EXPENSES</b>				
Power & Fuel	37.27	150.62	106.61	-
Auditors' Remuneration (Refer Note-1)	0.50	1.50	1.25	0.45
Bank Charges	-	-	0.01	0.02
Freight Outward	9.08	0.54	49.74	15.85
Insurance	0.86	2.83	3.23	1.02
Rates & Taxes	0.32	0.38	0.64	0.50
Gst Penalty	-	1.26	-	-
License Fees	0.18	0.28	0.38	-
Office Expense	0.25	1.03	0.42	0.41
Printing & Stationery	0.02	0.11	0.03	0.01
Preliminary Expenses	-	-	-	3.45
Professional Fees	0.25	3.73	0.78	0.58
Filing fees	-	0.09	1.50	-
Travelling and Conveyance	0.36	1.41	0.80	0.88
Sundry balance written off	-	0.53	-	0.00
Commission & Brokerage	1.21	4.93	2.19	-
Settlement Charges	-	7.25	-	-
Lab Expenses	0.53	1.57	1.75	-
Repair & Maintance- Machinery	2.98	8.91	11.03	-
Repair & Maintance- Building	0.85	4.22	-	-
Miscellaneous Expenses	0.07	0.53	0.10	-
Interest on Delay Payment of Statutory Dues	0.08	0.07	0.11	-
<b>Total Other expenses</b>	<b><u>54.81</u></b>	<b><u>191.79</u></b>	<b><u>180.57</u></b>	<b><u>23.17</u></b>
<b>29.1 Auditors' Remuneration</b>				
Statutory Auditors				
Audit Fees	0.50	1.25	1.00	0.30
Tax Audit Fees	-	0.25	0.25	0.15
	<b><u>0.50</u></b>	<b><u>1.50</u></b>	<b><u>1.25</u></b>	<b><u>0.45</u></b>

**SWASTH FOODTECH INDIA LIMITED**  
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Annexure V- Notes to Restated Financial Information(Continued)

<b>30.1 Income taxes</b>	<b>For the period ended</b>	<b>For the year ended</b>	<b>For the year ended</b>	<b>For the period</b>
<b>Income tax related to items charged or credited directly to profit or loss during the year :</b>	<b>30th June, 2024</b>	<b>31st March, 2024</b>	<b>31st March, 2023</b>	<b>2nd February, 2021 to 31st March, 2022</b>
<b>a) Statement of profit and loss</b>				
(i) Current Income Tax	16.06	10.55	-	0.38
(ii) Deferred Tax expense / (benefit)	2.22	12.02	18.09	-
(iii) Income tax adjustment for earlier years	-	-	0.04	-
<b>Total (a+b)</b>	<b>18.28</b>	<b>22.57</b>	<b>18.13</b>	<b>0.38</b>
<b>The reconciliation of estimated income tax (arrived at by multiplying accounting profit with India's domestic tax rate) to income tax</b>				
Profit / (Loss) before taxes	<b>106.52</b>	<b>215.81</b>	<b>20.82</b>	<b>1.52</b>
Enacted Income Tax rate in India	<b>17.16</b>	<b>17.16</b>	<b>17.16</b>	<b>25.17</b>
Income tax expense at tax rates applicable	<b>18.28</b>	<b>37.03</b>	<b>3.57</b>	<b>0.38</b>
Adjustments ;				
Tax effect of items that are deductible for tax purpose	-	-	-	-
Tax effect of items that are not deductible for tax purpose	-	-	0.05	-
Unused Tax losses, deductible temporary differences for which no income tax was recognised	-	-	14.47	-
Tax effect of adjustments of brought forward losses of earlier years in the current year	-	(14.46)	-	-
Other Adjustments				
Income Tax for Earlier Years	-	-	0.04	-
Others	-	-	-	-
Income tax expense reported	<b>18.28</b>	<b>22.57</b>	<b>18.13</b>	<b>0.38</b>
Effective Income tax rate (%)	17.16	10.46	87.09	25.17

Note : For FY 2021-22 Sec 115BAB prescribes tax rate of 15% for new manufacturing companies. However were total income included any income i.e not derived from manufacturing tax rate of 22% has to be considered.

**Annexure V- Notes to Restated Financial Information(Continued)**  
(Amount in INR lakhs, except for share data unless otherwise stated)

**31 Contingent Liabilities and Capital commitments** 30th June, 2024 31st March, 2023 31 March 2022 31 March 2021

**A) CAPITAL COMMITMENTS**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of

16.00

-

-

-

Other commitments relating to settlement of litigation disputes

-

-

-

-

**B) CONTINGENT LIABILITIES**

Disputed demands with various government departments.

Name of the Act	Period for which Dispute is pending	Amount in Rs.( in lakhs)	Amt. paid under Protest in Rs.( In lakhs)	Forum at which Dispute is Pending
-	-	-	-	-

There are no contingent liabilities as on the respective reporting periods.

**32 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013**

**Defined Benefit Plan:**

The following are the types of defined benefit plans:

- a Gratuity Plan**  
15 days salary for every completed year of service. Vesting period is 5 years and payment is restricted to Rs. 20 lacs. The present value of defined obligation and related current cost are measured using the Projected Credit Method with actuarial valuation being carried out at each balance sheet date.

- b Risk Exposure**  
Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

<b>Interest Rates Risk</b>	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times, the fall can be permanent, due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes, a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.
<b>Salary Inflation Risk</b>	The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER), which is applied to find the salary of plan participants in future, at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.
<b>Demographic Risk</b>	Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.
<b>Actuarial Risk</b>	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: <b>Adverse Salary Growth Experience:</b> Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. <b>Variability in mortality rates:</b> If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. <b>Variability in withdrawal rates:</b> If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected.
<b>Liquidity Risk</b>	This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of ill liquid assets not being sold in time. Employees with high salaries and long durations of service or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.
<b>Asset Liability Mismatch:</b>	<u>This will come into play unless the funds are invested with a term of the assets replicating the term of the liability.</u>
<b>Investment Risk:</b>	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
<b>Market Risk:</b>	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
<b>Legislative Risk/Regulatory Risk:</b>	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point. And the same will have to be recognized immediately in the year when any such amendment is effective.

Annexure V- Notes to Restated Financial Information(Continued)  
(Amount in INR lakhs, except for share data unless otherwise stated)

c **Reconciliation of the net defined benefit (asset)/ liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Particulars	Gratuity	Gratuity	Gratuity
	June 30,2024	March 31, 2024	March 31, 2023
Balance for previous years recorded in this year	0.80	0.59	-
Current Service Cost	0.12	0.38	0.59
Interest Cost on Defined Benefit Obligation	0.01	0.04	-
Current year Adjustments	-	-	-
Actuarial Gain and Losses arising from	0.08	(0.21)	-
Changes in demographic assumptions	-	-	-
Changes in financial assumptions	-	-	-
Experience Adjustment	-	-	-
Benefits Paid	-	-	-
Balance at the end of the year	1.02	0.80	0.59

Note : No provision for gratuity was recorded in the earlier years hence, the entire amount has been recognised in the Profit and Loss Account in the current year.

d

Particulars	Gratuity	Gratuity	Gratuity
	June 30,2024	March 31, 2024	March 31, 2023
Current Service Cost	0.12	0.38	0.59
Interest Cost	0.01	0.04	-
Actuarial Gain or Loss	0.08	(0.21)	-
Expenses recognized in Statement of Profit & Loss	0.22	0.21	0.59

Note : No provision for gratuity was recorded in the earlier years hence, the entire amount has been recognised in the Profit and Loss Account in the current year.

e **Actuarial Assumptions**

Particulars	Gratuity	Gratuity	Gratuity
	June 30,2024	March 31, 2024	March 31, 2023
<b>Financial Assumptions</b>			
Discount Rate	7.16%	7.25%	7.52%
Salary Escalation Rate	7%	7%	7%
Attrition Rates	10%	10%	10%
<b>Demographic Assumptions</b>			
Mortality Rate	(% of IALM 2012-14)	(% of IALM 2012-14)	(% of IALM 2012-14)
Disability Rate	5%	5%	5%
Withdrawal Rate			
Grades Rate from Age 40	8.82%	8.33%	8.33%
Grades Rate from Age 45	5.88%	5.56%	5.56%
Grades Rate from Age 50	2.94%	2.78%	2.78%
Grades Rate from Age 55	1.47%	1.39%	1.39%

Note : Retirement Age 60

f The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

g

Maturity Profile of Defined Benefit Obligations	30-Jun-24		31st March, 2023		31st March, 2023	
	Discounted Values/Present Values	Undiscounted Values/Actual Values	Discounted Values/Present Values	Undiscounted Values/Actual Values	Discounted Values/Present Values	Undiscounted Values/Actual Values
Expected benefits payment						
Year 1	0.00	0.00	0.00	0.00	0.00	0.00
Year 2	0.00	0.00	0.00	0.00	0.00	0.00
Year 3	0.00	0.00	0.00	0.00	0.00	0.00
Year 4	0.00	0.00	0.00	0.00	0.00	0.00
Year 5	0.00	0.00	0.00	0.00	0.00	0.00

Annexure V- Notes to Restated Financial Information(Continued)  
(Amount in INR lakhs, except for share data unless otherwise stated)

h Sensitivity Analysis

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity (30.06.2024)			Gratuity (31.03.2024)		
	% Increase in Defined Benefit Obligation	Liability	Increase / Decrease in Defined Benefit Obligations	% Increase in Defined Benefit Obligation	Liability	Increase / Decrease in Defined Benefit Obligations
Effect on DBO due to 1% increase in Discount Rate	-12.80%	0.89	(0.13)	-12.92%	0.69	(0.10)
Effect on DBO due to 1% decrease in Discount Rate	15.60%	1.17	0.16	15.76%	0.92	0.13
Effect on DBO due to 1% increase in Salary Escalation Rate	15.13%	1.17	0.15	15.33%	0.92	0.12
Effect on DBO due to 1% decrease in Salary Escalation Rate	-12.63%	0.89	(0.13)	-12.77%	0.69	(0.10)
Effect on DBO due to 1% increase in Attrition Rate	-3.57%	0.98	(0.04)	-3.48%	0.77	(0.03)
Effect on DBO due to 1% decrease in Attrition Rate	3.72%	1.05	0.04	3.61%	0.83	0.03
Mortality rate 10% Up	-0.02%	1.02	(0.00)	-0.01%	0.80	(0.00)

Particulars	Gratuity (31.03.2023)		
	% Increase in Defined Benefit Obligation	Liability	Increase / Decrease in Defined Benefit Obligations
Effect on DBO due to 1% increase in Discount Rate	-13.50%	0.51	(0.08)
Effect on DBO due to 1% decrease in Discount Rate	16.51%	0.68	0.10
Effect on DBO due to 1% increase in Salary Escalation Rate	16.11%	0.68	0.09
Effect on DBO due to 1% decrease in Salary Escalation Rate	-13.38%	0.51	(0.08)
Effect on DBO due to 1% increase in Attrition Rate	-4.19%	0.56	(0.02)
Effect on DBO due to 1% decrease in Attrition Rate	4.33%	0.61	0.03
Mortality rate 10% Up	0.00%	0.59	(0.00)

While one of the parameters mentioned above is changed by 100 basis points, Other parameters are kept unchanged for evaluating the DBO While there is no change in the method used for sensitivity analysis from previous period, the change in assumptions now considered are with reference to the current assumptions  
Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

33 Earnings per share (EPS) as per AS 20	30th June, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Calculation of weighted average number of equity shares of Rs 10 each fully paid up:				
Number of equity shares at the beginning of the year	42,69,682	29,90,592	29,90,592	29,90,592
Total number of equity shares outstanding at the end of the year-A	42,69,682	42,69,682	29,90,592	29,90,592
Weighted average number of equity shares outstanding during the year –B	42,69,682	38,43,319	29,90,592	29,90,592
Net profit attributable to equity shareholders for calculation of basic EPS – C	88.24	193.24	2.69	1.14
Basic and Diluted EPS (Rs.) (C/B)/(Based on weighted average number of shares)	2.07	5.03	0.09	0.04
Basic and Diluted EPS (Rs.) (C/A)/(Based on shares at the end of year)	2.07	4.53	0.09	0.04

Note:- EPS for the period ended 30th June, 2024 has not been annualised.

**34 Disclosure on Corporate Social Responsibility Expenses**

Provisions of Section 135 of the Companies Act, 2013 and rules made thereunder are not applicable to the company.

**35 Segment Information**

**a) Identification of Operating Segments**

The Company operates in a Single Reportable Primary Segment (Business Segment) i.e. Manufacturing of Rice Bran Oil. No other operating segments have been aggregated to form the above reportable operating segments as per the criteria

**b) Business Segment wise revenue/results/assets/liabilities**

Since there is Single Reportable Operating Segment hence disclosure of Operating Segment wise Assets, Liabilities, Revenue and Results are not applicable.

**c) Geographical Information**

	As at 30th June, 2024		As at 31st March, 2024	
	Within India	Total	Within India	Total
<b>Segment revenue by location of Customers</b>				
Revenue from Sale / Services	4,035.22	4,035.22	13,324.98	13,324.98
<b>Segment Assets by location</b>				
Segment assets	3660.13	3660.13	3,183.96	3,183.96
	As at 31st March, 2023		As at 31st March, 2022	
	Within India	Total	Within India	Total
<b>Segment revenue by location of Customers</b>				
Revenue from Sale / Services	9,989.64	9,989.64	122.10	122.10
<b>Segment Assets by location</b>				
Segment assets	3,059.20	3,059.20	1,265.05	1,265.05



**Annexure V- Notes to Restated Financial Information(Continued)**

**36 Related party transactions**

**1) Name of the related parties irrespective of whether transactions have occurred or not :**

<b>a) Key management personnel ('KMP') and their relatives</b>	<b>Relation</b>
Mr. Dilip Chhajer	Managing Director
Mr. Lakshay Jain	Whole Time Director
Mr. Shrey Jain	CFO & Whole Time Director
Mrs. Vandana Chhajer	Non Executive Director & Non Independent Director
Dilip Chhajer (HUF)	Karta is a Managing Director
Ms. Seema Agarwal	Company Secretary
Rajkumari Chhajer	Relative
Lalita Hirawat	Relative
Uttam Chand Chhajer	Relative
Goutam Chand Chhajer	Relative
Punam Chand Chhajer	Relative

**Note**

Mr. Dilip Chhajer was appointed as Managing Director as on 10th Day of July,2024 .

Mr. Shrey Jain was appointed as Chief Financial Officer and Whole Time Director as on 10th Day of July,2024 .

Mrs. Vandana Chhajer was appointed Non Executive Director and Non Independent Director as on 01st Day of April,2024 .

Mr. Lakshay Jain was appointed as Whole Time Director as on 10th Day of July,2024 .

Ms. Sima Agarwal was appointed as Company Secretary & Compliance officer as on 10th Day of July,2024 .

**b) Entities in which KMP and their relatives can exercise significant influence**

Birbhum Oil Industries Private Limited
Birbhum Agro Products Private Limited
Birbhum Rice Mill
Kanduri Cold Storage Private Limited
Chhajer Agro Products Pvt Ltd
Chhajer Realty LLP
Infine Exports Private Limited
Shelter Trading Business Private Limited
Uttam Chand Chhajer HUF
Goutam Chand Chhajer & Sons HUF
Punam Chand Chhajer & Sons HUF
Berami Realty LLP

Note: The name of the related party and their relationship with the Company is as identified by the management and relied upon by the auditors.

**II) Disclosure of Transaction between the Company and Related Party that has taken place during the year and its status of outstanding**

**A) Transactions with Key Managerial Personnel**

<b>Name of the party</b>	<b>Nature of Transactions</b>	<b>30th June, 2024</b>	<b>31st March, 2024</b>	<b>31st March, 2023</b>	<b>31st March, 2022</b>
Lakshay Jain	Directors Remuneration	-	1.50	10.85	7.20
Shrey Jain	Directors Remuneration	-	-	3.85	7.20
Vandana Chhajer	Directors Remuneration	-	9.00	6.00	-
Dilip Chhajer (HUF)	Loan Taken	-	-	40.00	-
Dilip Chhajer (HUF)	Loan Repaid	-	8.69	31.31	-
Dilip Chhajer	Loan Taken	-	4.00	78.42	24.80
Dilip Chhajer	Loan Repaid	-	29.91	77.31	-
Shrey Jain	Loan Taken	-	4.09	35.10	3.22
Shrey Jain	Loan Repaid	-	31.51	10.90	-
Lakshay Jain	Loan Taken	-	-	53.69	-
Lakshay Jain	Loan Repaid	-	53.69	-	-
Vandana Chhajer	Loan Taken	-	32.45	63.22	0.42
Vandana Chhajer	Loan Repaid	-	77.95	18.15	-
Vandana Chhajer	Advance Given	-	10.10	-	-
Lakshay Jain	Advance Given	200	-	14.85	-
Vandana Chhajer	Advance Refunded	-	-	10.10	-
Lakshay Jain	Advance Refunded	-	-	14.85	-

Annexure V- Notes to Restated Financial Information(Continued)

**B) Transactions with enterprises where Key Management Personnel and their Relatives have significant influence:**

Name of the party	Nature of Transactions	30th June, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Birbhumi Oil Industries Private Limited	Purchase of Goods	-	34.06	139.57	-
Birbhumi Oil Industries Private Limited	Loan Taken	15.00	-	-	-
Birbhumi Oil Industries Private Limited	Loan Repaid	15.00	-	-	-
M/s Chhajer Agro Products Pvt Ltd	Loan Taken	-	363.35	104.00	97.00
M/s Chhajer Agro Products Pvt Ltd	Loan Repaid (including interest)	21.30	325.61	78.06	39.00
M/s Chhajer Agro Products Pvt Ltd	Interest Expense	2.91	9.21	9.37	3.71
M/s Chhajer Agro Products Pvt Ltd	Purchase of Goods	-	143.43	454.46	42.78
M/s Chhajer Agro Products Pvt Ltd	Sales of Goods	-	14.48	-	-

**d) Balances at the year end**

Name of the party	Nature of Transactions	30th June, 2024	31st March, 2024	31st March, 2023	31st March, 2022
M/s Chhajer Agro Products Pvt Ltd	Loan Taken	123.06	141.74	95.71	61.34
M/s Chhajer Agro Products Pvt Ltd	Debtor	14.48	14.48	-	-
M/s Chhajer Agro Products Pvt Ltd	Creditor	-	-	-	13.33
Dilip Chhajjer(HUF)	Loan Taken	-	-	8.69	-
Dilip Chhajjer	Loan Taken	-	-	25.91	24.80
Shrey Jain	Loan Taken	-	-	27.42	3.22
Lakshay Jain	Loan Taken	-	-	53.69	-
Vandana Chhajjer	Loan Taken	-	-	45.50	0.42

37 Information under section 186(4) of the companies Act, 2013

**a) Loans given during the Period Ended 30th June, 2024**

	As at 30th June, 2024	Given	Realised	As at 31st March, 2024
Wholly owned subsidiaries	NA	NA	NA	NA
Others				

**b) Loans given during the FY 2023-24**

	As at 31st March, 2024	Given	Realised	As at 31st March, 2023
Wholly owned subsidiaries	NA	NA	NA	NA
Others				

**c) Loans given during the FY 2022-23**

	As at 31st March, 2023	Given	Realised	As at 31st March, 2022
Wholly owned subsidiaries	NA	NA	NA	NA
Others				

**d) Loans given during the FY 2021-22**

	31st March, 2022	Given	Realised
Wholly owned subsidiaries	NA	NA	NA
Others			

**e) Investment made**

There are no investments made by the company .

**f) Guarantee given**

- i) To secure obligation of wholly owned subsidiaries NIL  
ii) To secure obligation of other related parties NIL

**g) Security given**

There is no security given during the year.

In the opinion of the Board of Directors and to the best of their knowledge and belief, the valuation on realisation of financial assets and other assets in the ordinary course of business would not be less than the amount at which they are stated in the financial statements.

**38 Statement of Accounting Ratios :**

Particulars	30th June, 2024	31st March, 2024	31st March, 2023	2nd February, 2021 to 31st March, 2022
Net Worth (A)	712.28	624.04	302.89	300.20
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	170.37	472.19	189.93	2.42
Restated PAT as per Profit and Loss Account(Rs. In lakhs)	88.24	193.24	2.69	1.14
Less: Prior Period Item	-	-	-	-
Adjusted Profit After Tax (PAT) [B]	88.24	193.24	2.69	1.14
Number of equity share outstanding as on the end of year/period - Refer Note 1(C)	42,69,682	42,69,682	29,90,592	29,90,592
Weighted Average Number of Equity Shares Outstanding During the year/period (D)	42,69,682	38,43,319	29,90,592	29,90,592
Number of outstanding equity shares at the end of the period (E)	42,69,682	42,69,682	29,90,592	29,90,592
Current Assets (F)	2,494.26	2,021.03	1,843.95	162.27
Current Liabilities (G)	2,538.77	2,119.93	2,195.25	468.91
Face value per share (Rs.)	10.00	10.00	10.00	10.00
<b>Earnings per share</b>				
Basic earning per share based on weighted average number of shares (INR) (B/D)	2.07	5.03	0.09	0.04
Diluted earning per share based on weighted average number of shares (INR) (B/D)	2.07	5.03	0.09	0.04
Basic earning per share based on shares outstanding at the end of the year(INR) (B/E)	2.07	4.53	0.09	0.04
Diluted earning per share based on shares outstanding at the end of the year(INR) (B/E)	2.07	4.53	0.09	0.04
Return on net worth (%) (B/A)	12.39%	30.97%	0.89%	0.38%
Net asset value per share - (A/C) (Face value of Rs. 10 each)	16.68	14.62	10.13	10.04
Current ratio (H/I)	0.98	0.95	0.84	0.35

**Note:**

1) The ratios have been computed as below:

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

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

(c) Return on net worth (%): Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

2) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

3) The figures disclosed above are based on the restated summary statements of the Company.

4) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III, and IV.

Annexure V- Notes to Restated Financial Information(Continued)

39 Tax Shelter Statement

Particulars	30th June, 2024	31st March, 2024	31st March, 2023	2nd February, 2021 to 31st March, 2022
(A) Profit before taxes	106.52	215.81	20.82	1.52
- Taxable at Normal Rate	106.52	215.81	20.82	1.52
- Taxable at Special Rate	-	-	-	-
(B) Applicable Tax rates				
Normal Tax Rate Applicable %	17.16%	17.16%	17.16%	25.17%
Special Tax Rate Applicable %	-	-	-	-
(C) Tax Impact (A*B)	18.28	37.03	3.57	0.38
(D) Adjustments				
Difference in Depreciation	(13.13)	(70.25)	(106.00)	-
Expenses Disallowed	0.22	0.21	0.89	-
Adjustments of brought forward losses of earlier years in the current year	-	(84.29)	-	-
<b>(E) Total Adjustments</b>	<b>(12.91)</b>	<b>(154.33)</b>	<b>(105.10)</b>	<b>-</b>
(F) Tax Expense/(Saving) thereon	(2.22)	(26.48)	(18.04)	-
(G) Deferred Tax Effect	-	-	-	-
(H) Net Tax Expense (C+F+G)	16.06	10.55	-	0.38
(I) Deferred Tax	2.22	12.02	18.09	-
(J) Tax for Earlier Years	-	-	0.04	-
<b>(K) Total Tax Expenses (H+I+J)</b>	<b>18.28</b>	<b>22.57</b>	<b>18.13</b>	<b>0.38</b>

40 Capitalisation Statement

	30th June, 2024	
	Pre Issue	Post Issue
<b>Debt</b>		
A.Long Term Debt	375.74	
B.Short Term Debt	1,551.25	
<b>Total Debt</b>	<b>1,926.99</b>	
<b>Equity Shareholders Fund</b>		
Equity Share Capital	426.97	
Reserves and Surplus	285.31	
<b>Total Equity</b>	<b>712.28</b>	
<b>Long term Debt / Equity Ratio</b>		0.53
<b>Total Debt / Equity Ratio</b>		2.71

41 Statement of material adjustment to the restated financial statement

**Material Regrouping**

Appropriate adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses,

42 Contingencies and Events occurring after the Balance Sheet Date

There were no events which occurred after the Balance Sheet date upto the date of approval of financial statements which required any adjustments/disclosure in the financial statements as per AS-4.

43 Foreign currency transactions

The company has not made any foreign currency during the period under consideration.

44 Financial Statements for the Period from Incorporation (2nd February, 2021) to 31st March, 2022

Since the company was incorporated on 2nd of February, 2021, the financial statement were drawn from the date of incorporation till the period ending on 31st day of March of the following year i.e. 31.03.2022.

**SWASTH FOODTECH INDIA LIMITED**  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881  
Annexure V- Notes to Restated Financial Information(Continued)

**Note 45**

**Impact of restatement adjustments**

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

Particulars	(Amount in INR lakhs, unless otherwise stated)			
	30th June 2024	31-Mar-24	31-Mar-23	31-Mar-22
Net profit after tax as per audited financial statements	87.58	193.34	4.29	1.14
<b>Restatement adjustments:</b>				
For changes in Gratuity provision	(0.80)	0.21	0.59	
For changes in Depreciation	-	0.57	0.79	-
For changes in Deferred Tax	0.12	0.05	0.22	-
For changes in Provision	0.02	(0.73)		
<b>Total Adjustments</b>	<b>(0.66)</b>	<b>0.10</b>	<b>1.59</b>	<b>-</b>
<b>Restated Net Profit before Tax</b>	<b>88.24</b>	<b>193.24</b>	<b>2.69</b>	<b>1.14</b>

**(a) Reconciliation of restated Equity/ Networth**

Particulars	(Amount in INR lakhs, unless otherwise stated)			
	30th June 2024	31-Mar-24	31-Mar-23	31-Mar-22
Equity/ Networth as per audited financials	713.32	625.74	304.49	300.20
<b>Restatement adjustments:</b>				
<b>Total adjustments</b>	<b>1.04</b>	<b>1.70</b>	<b>1.60</b>	<b>-</b>
<b>Restated Equity/ Networth</b>	<b>712.28</b>	<b>624.04</b>	<b>302.89</b>	<b>300.20</b>

**(b) Explanatory notes for the restatement adjustments**

(i) The amount relating to the income/ expenses have been adjusted in the year to which the same relates to and under which head the same related to.

(ii) Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financials of the company for all the years.

(iii)The company inadvertently claimed input tax credit for FY 2021-22 and FY 2022-23, which should have been capitalized. This credit has been reversed in FY 2023-24. The restated financial statements for the respective years reflect this correction, including capitalizations and depreciation adjustments.

(iv) Since the company has not yet completed five years, it has not accounted for gratuity provision till date. However, given that the company falls under the applicability criteria of the Gratuity Act, 1972, in the restated financial information, the company has included the effect of actuarial valuation of gratuity provision to recognize the liability for all the years from when the company first met the applicability criteria.

**SWASTH FOODTECH INDIA LIMITED**  
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**Annexure V- Notes to Restated Financial Information(Continued)**  
**(Amount in INR lakhs, except for share data unless otherwise stated)**

**Note - 46**  
**Ratio Analysis**

**A) Ratio Analysis**

<b>Ratio</b>	<b>Numerator</b>	<b>Denominator</b>	<b>Current Period April'24 to June '24</b>	<b>Current Year 23-24</b>	<b>Variances</b>	<b>% Variance</b>	<b>Reason</b>
Current ratio (in times)	Total current assets	Total current liabilities	0.982	0.953	0.03	3.05	N/A
Debt-equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	2.705	3.748	-1.04	-27.82	Due to decrease in borrowings & increase in Equity
Debt service coverage ratio (in times)	Earning for Debt Service= Net Profit before taxes+ Non cash operating expenses+ Interest+Other non cash adjustments	Debt service = Interest payments+Principal repayments	2.133	1.472	0.66	44.90	Due to increase in earning for debt service & Finance Cost
Return on equity ratio	Profit for the year less	Average total equity	13.21%	41.69%	-0.28	-68.33	Due to increase in profit
Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	2.10	8.21	-6.11	-74.40	Due to increase in Revenue from operations & Increase in Average Inventory
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	26.06	151.07	-125.01	-82.75	Due to increase in Average Trade Receivables & Revenue from operations
Trade payables turnover ratio (in times)	Cost of Purchases	Average trade payables	7.52	67.00	-59.48	-88.78	Due to increase in Average trade payable & purchases
Net Capital turnover ratio (in times)	Revenue from operations	Average working capital(i.e. Total current assets less total current liabilities)	-56.27	-59.20	2.92	4.94	Due to increase in Revenue from operations & Decrease In Negative working capital
Net profit ratio (in %)	Profit for the year	Revenue from operations	2.19%	1.45%	0.01	50.79	Due to Increase in profit & Revenue from Operations
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities+ Deferred tax liabilities+Borrowings	5.73%	13.48%	-7.75%	-57.48	Due to increase in profit & Capital Employed
Return on Investments (in %)	Income generated from invested funds	Average invested funds in treasury investments	NA	NA	NA	NA	

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Annexure V- Notes to Restated Financial Information(Continued)  
(Amount in INR lakhs, except for share data unless otherwise stated)

Ratio	Numerator	Denominator	FY 2023-24	FY 2022-23	Variances	% Variance	Reason
Current ratio (in times)	Total current assets	Total current liabilities	0.953	0.840	0.11	13.50	N/A
Debt-equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	3.748	7.865	-4.12	-52.35	Due to decrease in borrowings & increase in Equity
Debt service coverage ratio (in times)	Earning for Debt Service= Net Profit before taxes+ Non cash operating expenses+ Interest+Other non cash adjustments	Debt service = Interest payments+Principal repayments	1.472	0.812	0.66	81.31	Due to increase in earning for debt service & Finance Cost
Return on equity ratio	Profit for the year less Preference dividend (if	Average total equity	0.417	0.069	0.35	504.01	Due to increase in profit
Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	8.211	13.497	-5.29	-39.16	Due to increase in Revenue from operations & Increase in Average Inventory
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	151.066	218.509	-67.44	-30.86	Due to increase in Average Trade Receivables & Revenue from operations
Trade payables turnover ratio (in times)	Cost of Purchases	Average trade payables	67.002	87.768	-20.77	-23.66	Due to increase in Average trade payable & purchases
Net Capital turnover ratio (in times)	Revenue from operations	Average working capital(i.e. Total current assets less total current	-59.196	-30.366	-28.83	-94.94	Due to increase in Revenue from operations & Decrease In Negative working capital
Net profit ratio (in %)	Profit for the year	Revenue from operations	1.45%	0.03%	0.01	5,290.25	Due to Increase in profit & Revenue from Operations
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease	0.135	0.051	0.08	163.68	Due to increase in profit & Capital Employed
Return on Investments (in %)	Income generated from invested funds	Average invested funds in treasury investments	NA	NA	NA	NA	NA

**SWASTH FOODTECH INDIA LIMITED**

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Annexure V- Notes to Restated Financial Information(Continued)

(Amount in INR lakhs, except for share data unless otherwise stated)

Ratio	Numerator	Denominator	FY 2022-23	FY 2021-22	Variances	% Variance	Reason
Current ratio (in times)	Total current assets	Total current liabilities	0.840	0.346	0.49	142.73	Due to increase in current assets & liabilities
Debt-equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	7.865	2.637	5.23	198.19	Due to increase in short term borrowings
Debt service coverage ratio (in times)	Earning for Debt Service= Net Profit before taxes+ Non cash operating expenses+ Interest+Other non cash adjustments	Debt service = Interest payments+Principal repayments	0.812	2.679	-1.87	-69.70	Due to increase in finance cost
Return on equity ratio	Profit for the year less Preference dividend (if any)	Average total equity	6.90%	1.01%	0.06	582.17	Due to increase in profit
Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	13.50	0.00	13.50	NA	NA
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	218.51	0.00	218.51	NA	NA
Trade payables turnover ratio (in times)	Cost of Purchases	Average trade payables	87.77	14.55	73.21	503.09	Due to increase in trade payable & purchases
Net Capital turnover ratio (in times)	Revenue from operations	Average working capital(i.e. Total current assets less total current liabilities)	-30.37	-0.80	-29.57	-3,713.16	Due to increase in Negative Working Capital and Increase in Revenues
Net profit ratio (in %)	Profit for the year	Revenue from operations	0.03%	0.93%	-0.01	-97.11	Due to decrease in profit as compared to sales
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities+ Deferred tax liabilities+Borrowings	5.11%	0.22%	0.05	2,202.75	Due to increase in profit
Return on Investments (in %)	Income generated from	Average invested funds	NA	NA	NA	NA	NA



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Annexure V- Notes to Restated Financial Information(Continued)  
(Amount in INR lakhs, except for share data unless otherwise stated)

**NOTES 47**  
**OTHER RELEVANT DISCLOSURES**

**Additional regulatory information required by Schedule III of Companies Act, 2013:**

- A. The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami Property.
- B. Balance of Debtors & Creditors & Loans & advances Taken & giving are subject to confirmation and subject to consequential adjustments, if any. Debtors & creditors balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.
- C. The company has no transactions, which are not recorded in the books of accounts and which are surrendered or disclosed as income during the year in the tax assessment or in search or survey or under any other relevant provision of the Income Tax Act, 1961.
- D. The Company has not traded or invested in crypto currency or virtual currency for three months period ended June 30, 2024 and the year ended March 2024, March 2023 and for the period ended March 2022.
- E. The Company do not had any transaction for three months period ended June 30, 2024 and the year ended March 2024, March 2023 and for the period ended March 2022 with the companies which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- F. The company has not been declared as willful defaulter by any bank or from any other lender for three months period ended June 30, 2024 and the year ended March 2024, March 2023 and for the period ended March 2022.
- G. The company has registered all the charges which are required to be registered under the terms of the loan and liabilities and submitted Documents with ROC within the period as required by Companies Act, 2013.
- H. As per the information & detail available on records and the disclosure given by the management, the company has complied with the number of layers prescribed under clause (87) of section 2 of the companies act read with the Companies (Restriction on number of layers) Rules 2017.
- I. As per the Information & details available on records and the disclosure given by the management, the company has not advanced, loaned or invested to any other person or entity or foreign entities with the understanding that the intermediary shall directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company or provided any guarantee, security or like to or on behalf of the company. Further the company has not received any funds from any person, entity including the foreign entity with the understanding that the company shall directly or indirectly lend, invest or guarantee, security or like manner on behalf of the funding party.
- J. Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- K. The said provisions of Corporate Social Responsibility under section 135 of Companies Act, 2013 are not applicable to the company.

**For BAID AGARWAL SINGHI & CO.**  
**Chartered Accountants**  
(FRN 328671E)

**For and on behalf of the Board of Directors of**  
**SWASTH FOODTECH INDIA LIMITED**  
(Formerly Known as "SWASTH FOODTECH INDIA PRIVATE LIMITED")  
CIN : U15490WB2021PLC242881

**CA SOURABH AGARWAL**  
**Partner**  
**Membership No: 301075**  
**UDIN :24301075BKBCO2644**  
**Place:Kolkata**

**Dilip Chhajer**  
(Managing Director)  
(DIN : 00668288)  
Place : Kolkata

**Vandana Chhajer**  
Director  
(DIN:02539865)  
Place : Kolkata

**Shrey Jain**  
(Chief Financial Officer)  
DIN : 09049568

**Ms.Seema Agarwal**  
Company Secretary

## **MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

*The following discussion is intended to convey management’s perspective on our financial condition and results of operations for the period ended June 30, 2024 and the financial years ended March 31, 2024, 2023 and 2022. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled “Restated Financial Information” on page 166 of the Draft Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled “Risk Factors” on page 21 of this Draft Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled “Forward-Looking Statements” on page 15 of this Draft 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 Swasth Foodtech India Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period ended June 30, 2024 and the financial years ended March 31, 2024, 2023 and 2022 included in this Draft Prospectus beginning on page 166 of this Draft Prospectus*

### **BUSINESS OVERVIEW**

We are in the business of processing of rice bran oil from crude oil, for sale to oil manufacturers and packers. We manufacture various rice bran oil under various grades and colours, based on the requirement of our customers. We believe that rice bran oil is healthier than the other options available in the market, on account of it having an ideal balance of polyunsaturated fats and monounsaturated fats, in almost a 1:1 ratio. Since rice bran oil is made from bran, it is rich in Vitamin E, an antioxidant. We have crafted our business model in such a manner that we market and sell, our finished products, being rice bran oil, as well as the residue and waste material collected while processing our products. Therefore, we also market and sell, fatty acid, gums, spent earth and wax to other oil manufacturers or in the open market.

Processing of rice bran oil mainly involves refining the extracted crude rice bran oil. Our Company have capacity of 125 MT per day as on the date of this Draft Prospectus. We own and operate one manufacturing facility in Burdwan, in the State of West Bengal, which is strategically located in India. Our manufacturing facility has a refining unit which enables integrated processing of rice bran oil. At present, we process rice bran oil for third parties and sell our products in bulk form to third party brands and oil manufacturers. We intend to utilise a portion of the Net Proceeds towards setting up of a packaging unit at our existing manufacturing unit, to package, brand and sell our products under our own brands in smaller quantities to small retailers, warehousing agents, directly for sale to end use customers. We believe that setting up a packaging unit will provide us the ability of (i) building our own brand and (ii) scaling our operations by adding additional products as part of our product portfolio, thus contributing immensely towards our business operations and market position.

For detailed information on the business of our Company please refer to “*Our Business*” beginning on page numbers 112 of this Draft Prospectus.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED FINANCIALS**

After the date of last Audited Accounts i.e. for the period ended June 30, 2024, the Directors of our Company confirm that, there have not been any significant material developments.

### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 21 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- We depend on a few customers for our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.
- We generate our major portion of sales from our operations in certain geographical regions. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.
- We have a limited operating history in respect of our products, which may make it difficult for investors to evaluate our business and prospects.
- Our business is dependent on the sale of our products to certain oil manufacturers with whom our Company has not entered into any long-term agreements purchasing our Rice Bran Oil. The loss of such customers, a significant reduction in purchases by such customers, or a lack of commercial success of their product of which we are a major supplier could materially adversely affect our business, results of operations and financial condition.
- We derive significant portion of our revenues from the sale of by-products derived during the processing of rice bran oil and any reduction in demand from its consumers could have an adverse effect on our business, results of operations and financial condition.
- We highly depend on our key raw material and a few key suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.
- Our products are in the nature of commodities, and their prices are subject to fluctuations that may affect our profitability.
- All of our experience in respect of our business operations is limited to manufacturing of rice bran oil and therefore our Company has limited experience of packaging its products and selling them on a retail basis. Hence, we have limited exposure in operating a packaging line and marketing our products outside to retail customers, which may make it difficult to evaluate our past performance and prospects with respect to the same.
- There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution.
- Our Company is yet to place orders for 100% of the plant and machinery. Any delay in placing orders or procurement of such plant and machinery or variation in foreign exchange rate, may further delay the schedule of implementation and increase the cost of commissioning the manufacturing unit.

## **DISCUSSION ON RESULT OF OPERATION**

### ***Our Significant Accounting Policies***

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “*Restated Financial Statements*” beginning on page 166 of the Draft 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 the sale of Rice Bran Refined Oil manufactured by us, by-products derived from Rice Bran during manufacturing of rice bran refined oil, and trading sales of rice bran crude oil.

◆ **Other Income**

Our other income mainly consists of interest income, discount received, subsidy income and other income.

The below table show our revenue for the period ended June 30, 2024 and fiscal 2024, 2023 and 2022:

(₹ In Lakhs)

Particulars	Period ended	For the period ended		
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Income</b>				
Revenue from Operations	4,035.22	13,324.98	9,989.64	122.10
% of total revenue	99.63%	99.20%	99.96%	99.61%
Other income	14.83	107.19	3.91	0.48
% of total revenue	0.37%	0.80%	0.04%	0.39%
<b>Total Revenue</b>	<b>4,050.05</b>	<b>13,432.17</b>	<b>9,993.55</b>	<b>122.58</b>

**Expenditure**

Our total expenditure primarily consists of cost of purchases of traded goods, cost of materials consumed, changes in inventories of finished goods, work-in-progress and stock-in-trade, employee benefits expenses, finance cost, depreciation and amortization and other expenses.

◆ **Purchases of traded goods**

This represents purchases of Rice Bran Crude Oil, Maize, Fatty and Husk. These are purchased for resale.

◆ **Cost of materials consumed**

This represents cost of materials consumed comprises of rice bran crude oil, husk and other chemical.

◆ **Changes in inventories of finished goods, work-in-progress and stock-in-trade**

This relates to the changes in inventories of finished goods, work-in-progress and stock-in-trade.

◆ **Employment Benefit Expenses**

It includes salaries, wages, bonus and allowances, directors' remuneration, contributions to welfare funds, provision for gratuity and other expenses.

◆ **Other Expenses**

It includes Power & Fuel, Auditors' Remuneration, Bank Charges, Freight Outward, Insurance, Rates & Taxes, License Fees, Office Expense, Printing & Stationery, Preliminary Expenses, Professional Fees, Filing fees, Travelling and Conveyance, Sundry balance written off, Commission & Brokerage, Settlement Charges, Lab Expenses, Repair & Maintenance of Machinery, Repair & Maintenance of Building, Miscellaneous Expenses, Interest on delay payment of statutory dues.

◆ **Finance Costs**

Our finance costs mainly include processing charges and interest.

◆ **Depreciation**

Depreciation includes depreciation and amortization.

## RESULTS OF OUR OPERATION

(₹ In Lakhs)

Particulars	30th June, 2024	31st March, 2024	31st March, 2023	31st March, 2022
<b>Incomes:</b>				
Revenue from Operations	4,035.22	13,324.98	9,989.64	122.10
% of total revenue	99.63%	99.20%	99.96%	99.61%
% Increase/(Decrease)		33.39%	8081.58%	-
Other income	14.83	107.19	3.91	0.48
% of total revenue	0.37%	0.80%	0.04%	0.39%
% Increase/(Decrease)	-	2643.18%	708.90%	-
<b>Total Revenue</b>	<b>4,050.05</b>	<b>13,432.17</b>	<b>9,993.55</b>	<b>122.58</b>
% Increase/(Decrease)	-	34.41%	8052.53%	-
<b>Expenses:</b>				
Purchases of Traded Goods	345.83	606.56	1,795.62	96.99
% of total revenue	8.54%	4.52%	17.97%	79.12%
% Increase/(Decrease)	-	(66.22%)	1751.43%	-
Cost of Material Consumed	3,377.48	12,186.25	9,233.75	-
% of total revenue	83.39%	90.72%	92.40%	-
% Increase/(Decrease)	-	31.98%	-	-
Changes in Inventory of Finished Goods, Work in Progress & Stock in trade	96.41	(47.82)	(1,430.41)	-
% of total revenue	2.38%	-0.36%	(14.31%)	-
% Increase/(Decrease)	-	(96.66%)	-	-
Employee Benefit expenses	5.15	23.20	24.08	-
% of total revenue	0.13%	0.17%	0.24%	-
% Increase/(Decrease)	-	(3.65%)	-	-
Other Expenses	54.81	191.79	180.57	23.17
% of total revenue	1.35%	1.43%	1.81%	18.90%
% Increase/(Decrease)	-	6.21%	679.24%	-
<b>Total Expense</b>	<b>3,879.67</b>	<b>12,959.98</b>	<b>9,803.62</b>	<b>120.16</b>
% of total revenue	95.79%	96.48%	98.10%	98.02%
% Increase/(Decrease)	-	32.20%	8058.88%	-
<b>Profit before Interest, Depreciation and Tax</b>	<b>170.38</b>	<b>472.19</b>	<b>189.93</b>	<b>2.42</b>
% of total revenue	4.21%	3.52%	1.90%	1.98%
Depreciation and amortization Expenses	17.29	68.86	51.79	-
% of total revenue	0.43%	0.51%	0.52%	-
% Increase/(Decrease)	-	32.97%	-	-
<b>Profit before Interest and Tax</b>	<b>153.09</b>	<b>403.33</b>	<b>138.14</b>	<b>2.42</b>
% of total revenue	1.14%	3.00%	1.38%	1.98%
Financial Cost	46.56	187.52	117.33	0.90
% of total revenue	1.15%	1.40%	1.17%	0.74%
% Increase/(Decrease)	-	59.82%	12870.86%	-

<b>Profit before Tax and Extraordinary Expenses*</b>	<b>106.53</b>	<b>215.81</b>	<b>20.81</b>	<b>1.52</b>
% of total revenue	2.63%	1.61%	0.21%	1.24%
Extraordinary Expenses	-	-	-	-
% of total revenue	-	-	-	-
% Increase/(Decrease)	-	-	-	-
<b>Restated Profit/(Loss) before tax</b>	<b>106.53</b>	<b>215.81</b>	<b>20.81</b>	<b>1.52</b>
% of total revenue	2.63%	1.61%	0.21%	1.24%
% Increase/(Decrease)	-	936.93%	1270.27%	-
<b>Tax expenses/(income)</b>				
Current and earlier years Tax	16.06	10.55	0.04	0.38
Deferred Tax	2.22	12.02	18.09	-
<b>Total tax expenses</b>	<b>18.28</b>	<b>22.57</b>	<b>18.13</b>	<b>0.38</b>
% of total revenue	0.45%	0.17%	0.18%	0.31%
<b>Restated profit/(loss) after Tax</b>	<b>88.25</b>	<b>193.24</b>	<b>2.68</b>	<b>1.14</b>
% of total revenue	2.18%	1.44%	0.03%	0.93%
% Increase/(Decrease)	-	7100.28%	136.13%	-

\* includes other income

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

(₹ in lacs)

Particulars	June 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
<b>Top 10 customers</b>	2,630.3	65.18%	7,234.61	54.29%	5,495.82	55.02%	122.10	100.00%

### Capacity utilised

Financial Year	Installed Capacity (in MTPA)	Utilized Capacity (in MTPA)	Percentage of utilization (%)
2021-2022	37,500	-	-
2022-2023	37,500	9,093.85	24.25%
2023-2024	37,500	17,607.54	46.95%
<b>June 30, 2024</b>	<b>9,375</b>	<b>4,758.00</b>	<b>50.75%</b>

A break up of the revenue earned from sale of rice bran oil and its by-products during the preceding three years and the three months period ended June 30, 2024 has been provided below:

Customers	Three month period ended June 30, 2024		Fiscal					
			2024		2023		2022	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
Rice bran oil	3,458.49	85.71%	11,717.03	87.93%	7,490.15	74.98%	-	0.00%
By-products	238.55	5.91%	955.19	7.17%	656.03	6.57%	-	0.00%

## REVIEW OF OPERATIONS FOR THE PERIOD ENDED JUNE 30, 2024

### Income from Operations

Our revenue from operations for the three months ended June 30, 2024 was ₹ 4,035.22 Lakhs which was about 99.63%

of the total revenue and which comprises of revenue from sale of Rice Bran Refined Oil manufactured by us, by-products derived from Rice Bran during manufacturing of rice bran refined oil, and trading sales of rice bran crude oil. The overall turnover has been increased with the growth in volume of operations of the Company based on the past performance of the Company.

### **Other Income**

Our other income for the period ended June 30, 2024 was ₹ 14.83 Lakhs which was about 0.37% of the total revenue and which includes subsidy income, discount received and interest income.

### **Expenditure**

#### **Purchases of traded goods**

The Cost of Purchases of traded goods for the period ended June 30, 2024 were ₹ 345.83 Lakhs which was about 8.54% of the total revenue. This represent the purchase of Rice Bran Crude Oil, Maize, Fatty and Husk for resale.

#### **Cost of materials consumed**

The Cost of materials consumed for the period ended June 30, 2024 were ₹ 3,377.48 Lakhs which was about 83.39% of the total revenue.

#### **Changes in inventories of finished goods, work-in-progress and stock-in-trade**

The changes in inventories of finish goods & work-in-progress for the period ended June 30, 2024 were ₹ 96.41 Lakhs.

#### **Employee Benefits expenses**

The employee benefits expenses for the period ended June 30, 2024 were ₹ 5.15 Lakhs which was about 0.13% of the total revenue and which includes salaries, wages, bonus and allowances, contributions to welfare funds, provision for gratuity and other expenses.

#### **Other Expenses**

Other Expenses for the period ended June 30, 2024 were ₹ 54.81 Lakhs which was about 1.35% of the total revenue and which includes Power & Fuel, Auditors' Remuneration, Bank Charges, Freight Outward, Insurance, Rates & Taxes, License Fees, Office Expense, Printing & Stationery, Preliminary Expenses, Professional Fees, Filing fees, Travelling and Conveyance, Sundry balance written off, Commission & Brokerage, Settlement Charges, Lab Expenses, Repair & Maintenance of Machinery, Repair & Maintenance of Building, Miscellaneous Expenses, Interest on delay payment of statutory dues.

#### **EBIDTA**

Our EBITDA for the period ended June 30, 2024 were ₹ 170.38 Lakhs. The growth in EBIDTA is the result of better capacity utilization and higher realisation on sale of refined oil during the period ended June 30, 2024.

#### **Financial Costs**

Financial costs for the period ended June 30, 2024 were ₹ 46.56 Lakhs which was about 1.15% of the total revenue and which consists of interest and other finance charges.

#### **Depreciation**

Depreciation for the period ended June 30, 2024 were ₹ 17.29 Lakhs which was about 0.43% of the total revenue and

which consists of depreciation and amortization expenses.

### **Profit /(Loss) after Tax**

PAT for the fiscal year ended June 30, 2024 was ₹ 88.25 Lakhs which is about 2.18% of the revenue. The growth in EBIDTA is the result of better capacity utilization and higher realisation on sale of refined oil during the period ended June 30, 2024.

## **REVIEW OF OPERATIONS FOR THE PERIOD ENDED MARCH 31, 2024**

### **Income from Operations**

Our revenue from operations for the fiscal year ended March 31, 2024 was ₹ 13,324.98 Lakhs which was about 99.20% of the total revenue and which comprises of revenue from sale of Rice Bran Refined Oil manufactured by us, by-products derived from Rice Bran during manufacturing of rice bran refined oil, and trading sales of rice bran crude oil. The FY2023 was the first year of operation and the company has started operation in the month of June 2022. The growth in the turnover is the result of better capacity utilization in FY2024.

### **Other Income**

Our other income for the fiscal year ended March 31, 2024 was ₹ 107.19 Lakhs which was about 0.80% of the total revenue and which includes subsidy income, discount received and interest income.

### **Expenditure**

#### **Purchases of traded goods**

The Cost of Purchases of traded goods for the period ended March 31, 2024 were ₹ 606.56 Lakhs which was about 4.52% of the total revenue.

#### **Cost of materials consumed**

The Cost of materials consumed for the period ended March 31, 2024 were ₹ 12,186.25 Lakhs which was about 90.72% of the total revenue.

#### **Changes in inventories of finished goods, work-in-progress and stock-in-trade**

The changes in inventories of finish goods & work-in-progress for the period ended March 31, 2024 were ₹ (47.82) Lakhs.

#### **Employee Benefits expenses**

The employee benefits expenses for the fiscal year ended March 31, 2024 were ₹ 23.20 Lakhs which was about 0.17% of the total revenue and which includes salaries, wages, bonus and allowances, directors' remuneration, contributions to welfare funds, provision for gratuity and other expenses.

#### **Other Expenses**

Other Expenses for the fiscal year ended March 31, 2024 were ₹ 191.79 Lakhs which was about 1.43% of the total revenue and which includes Power & Fuel, Auditors' Remuneration, Bank Charges, Freight Outward, Insurance, Rates & Taxes, License Fees, Office Expense, Printing & Stationery, Preliminary Expenses, Professional Fees, Filing fees, Travelling and Conveyance, Sundry balance written off, Commission & Brokerage, Settlement Charges, Lab Expenses, Repair & Maintenance of Machinery, Repair & Maintenance of Building, Miscellaneous Expenses, Interest on delay payment of statutory dues.



## **EBIDTA**

Our EBITDA for the fiscal year ended March 31, 2024 were ₹ 472.19 Lakhs.

## **Financial Costs**

Financial costs for the period ended March 31, 2024 were ₹ 187.52 Lakhs which was about 1.40% of the total revenue and which consists of interest and other finance charges.

## **Depreciation**

Depreciation for the fiscal year ended March 31, 2024 were ₹ 68.86 Lakhs which was about 0.51% of the total revenue and which consists of depreciation and amortization expenses.

## **Profit /(Loss) after Tax**

PAT for the fiscal year ended March 31, 2024 was ₹ 215.81 Lakhs.

## **FISCAL YEAR ENDED MARCH 31, 2024 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023**

### **Income**

Total revenue has increased by ₹ 3,335.34 Lakhs and 33.39%, from ₹ 9,989.64 Lakhs in the fiscal year ended March 31, 2023 to ₹ 13,324.98 Lakhs in the fiscal year ended March 31, 2024. The increase in revenue was on account of increase in production and sale of finish product. Total revenue comprises of revenue from sale of Rice Bran Refined Oil manufactured by us, by-products derived from Rice Bran during manufacturing of rice bran refined oil, and trading sales of rice bran crude oil. The FY2023 was the first year of operation and the company has started operation in the month of June 2022. The growth in the turnover is the result of better capacity utilization in FY2024.

### **Expenditure**

Total Expenditure increased by ₹ 3,243.62 Lakhs and 32.52%, from ₹ 9,972.74 Lakhs in the fiscal year ended March 31, 2023 to ₹ 13,216.36 Lakhs in the fiscal year ended March 31, 2024. Overall expenditure was increased mainly due to increase in production.

### **Purchases of traded goods**

Purchases of traded goods decreased by ₹ 1,189.06 Lakhs and 66.22%, from ₹ 1,795.62 Lakhs in the fiscal year ended March 31, 2023 to ₹ 606.56 Lakhs in the fiscal year ended March 31, 2024. The FY2023 was the first year of operation and the company has started operation in the month of June 2022. Thus, in FY 2023 first quarter the company has undertaken trading in Rice Bran Crude Oil, Maize, Fatty and Husk, and with the commencement of manufacturing unit the volume of traded goods decreased significantly.

### **Cost of materials consumed**

Cost of materials consumed decreased by ₹ 2,952.50 Lakhs and 31.98%, from ₹ 9,233.75 Lakhs in the fiscal year ended March 31, 2023 to ₹ 12,186.25 Lakhs in the fiscal year ended March 31, 2024. Cost of materials consumed is increased on account of increase in production and capacity utilisation.

### **Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Changes in inventories of finished goods, work-in-progress and stock-in-trade was ₹ (47.82) Lakhs in the fiscal year

ended March 31, 2024 as against ₹ (1,430.41) Lakhs the fiscal year ended March 31, 2023. The decrease in changes in Inventories of finish goods, work-in-progress and finish goods was because of higher sale of finished product and lower inventory level.

### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value and percentage decreased by ₹0.88 Lakhs and 3.65% from ₹ 24.08 Lakhs in the fiscal year ended March 31, 2023 to ₹ 23.20 Lakhs in the fiscal year ended March 31, 2024. Overall employee cost was decreased is due to lesser no. of working days.

### **Other Expenses**

Other Expenses in terms of value and percentage increased by ₹ 11.22 Lakhs and 6.21% from ₹ 180.57 Lakhs in the fiscal year ended March 31, 2023 to ₹ 191.79 Lakhs in the fiscal year ended March 31, 2024. The increase was mainly on account of cost of Power & Fuel, Auditors' Remuneration, Bank Charges, Freight Outward, Insurance, Rates & Taxes, License Fees, Office Expense, Printing & Stationery, Preliminary Expenses, Professional Fees, Filing fees, Travelling and Conveyance, Sundry balance written off, Commission & Brokerage, Settlement Charges, Lab Expenses, Repair & Maintenance of Machinery, Repair & Maintenance of Building, Miscellaneous Expenses, Interest on delay payment of statutory dues.

### **EBIDTA**

Profit before Interest, Depreciation and Tax has increased by ₹ 282.26 Lakhs and 148.61% from ₹ 189.93 Lakhs in the fiscal year ended March 31, 2023 to ₹ 472.19 Lakhs in the fiscal year ended March 31, 2024. Profit before Interest, Depreciation and Tax was increased due to increase in price realization of refined oil, higher capacity utilization resulting in economic of scale in the fiscal year ended March 31, 2024 as against in fiscal 2023. This has resulted in increased profitability.

### **Finance Costs**

Finance Costs in terms of value and percentage increased by ₹ 70.19 Lakhs and 59.82% from ₹ 117.33 Lakhs in the fiscal year ended March 31, 2023 to ₹ 187.52 Lakhs in the fiscal year ended March 31, 2024. Finance Costs was increased mainly due to higher interest outgo on increased borrowings.

### **Depreciation & Amortization Expenses**

Depreciation in terms of value increased by ₹ 17.07 Lakhs and 32.97% from ₹ 51.79 Lakhs in the fiscal year ended March 31, 2023 to ₹ 68.86 Lakhs in the fiscal year ended March 31, 2024. Increase in depreciation is due to increase in assets and is general in nature.

### **Net Profit after Tax**

Net Profit has increased by ₹ 190.56 Lakhs and 7100.28% from ₹ 2.68 Lakhs in the fiscal year ended March 31, 2023 to ₹ 193.24 Lakhs in the fiscal year ended March 31, 2024. Net profit was increased due to increase in price realization of refined oil, higher capacity utilization resulting in economic of scale in the fiscal year ended March 31, 2024 as against in fiscal 2023. This has resulted in increased profitability.

## **FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022**

### **Income**

Total revenue has increased by ₹ 9,867.54 Lakhs and 8081.58%, from ₹ 122.10 Lakhs in the fiscal year ended March 31, 2022 to ₹ 9,989.64 Lakhs in the fiscal year ended March 31, 2023. The increase in revenue was on account of increase in production and sale of finish product. Total revenue comprises of revenue from sale of Rice Bran Refined

Oil manufactured by us, by-products derived from Rice Bran during manufacturing of rice bran refined oil, and trading sales of rice bran crude oil. The FY2023 was the first year of operation and the company has started operation in the month of June 2022. There was no sale of manufactured goods in FY2022. Thus the FY2022 and FY2023 is not comparable.

### **Expenditure**

Total Expenditure increased by ₹ 9,851.67 Lakhs and 8137.62%, from ₹ 121.06 Lakhs in the fiscal year ended March 31, 2022 to ₹ 9,972.74 Lakhs in the fiscal year ended March 31, 2023. The FY2023 was the first year of operation and the company has started operation in the month of June 2022. There was no manufacturing activity in FY2022. Thus, the FY2022 and FY2023 is not comparable.

### **Purchases of traded goods**

Purchases of traded goods increased by ₹ 1,698.64 Lakhs and 1751.43%, from ₹ 96.99 Lakhs in the fiscal year ended March 31, 2022 to ₹ 1,795.62 Lakhs in the fiscal year ended March 31, 2023. Purchases of traded goods on account of increase in trading activity. The FY2023 was the first year of operation and the company has started operation in the month of June 2022. There was no manufacturing activity in FY2022. Thus, the FY2022 and FY2023 is not comparable.

### **Cost of materials consumed**

Cost of materials consumed increased by ₹ 9,233.75 Lakhs, from ₹ nil in the fiscal year ended March 31, 2022 to ₹ 9,233.75 Lakhs in the fiscal year ended March 31, 2023. Cost of materials consumed on account of increase in consumption of raw materials in production. The FY2023 was the first year of operation and the company has started operation in the month of June 2022. There was no manufacturing activity in FY2022. Thus, the FY2022 and FY2023 is not comparable.

### **Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Changes in inventories of finished goods, work-in-progress and stock-in-trade were nil in the fiscal year ended March 31, 2022 and ₹ (1,430.41) in the fiscal year ended March 31, 2023. Changes in inventories of finished goods, work-in-progress and stock-in-trade was on account of higher inventory in hand with the commencement of production.

### **Employee Benefit Expenses**

Employee Benefit Expenses in terms of value and percentage increased by ₹ 24.08 Lakhs from Nil in the fiscal year ended March 31, 2022 to ₹ 24.08 Lakhs in the fiscal year ended March 31, 2023. Overall employee cost was increased with the commencement of commercial operations, increase in staff strength and general increment in salary and incentives to employees.

### **Other Expenses**

Other Expenses in terms of value and percentage increased by ₹ 157.40 Lakhs and 679.24% from ₹ 23.17 Lakhs in the fiscal year ended March 31, 2022 to ₹ 180.57 Lakhs in the fiscal year ended March 31, 2023. The increase was on account of commencement of commercial operations.

### **EBIDTA**

Profit before Interest, Depreciation and Tax has increased by ₹ 187.51 Lakhs and 7737.29% from ₹ 2.42 Lakhs in the fiscal year ended March 31, 2022 to ₹ 189.93 Lakhs in the fiscal year ended March 31, 2023. Profit before Interest, Depreciation and Tax was increased due to better price realization and commencement of commercial operations. The FY2023 was the first year of operation and the company has started operation in the month of June 2022. There was no sale of manufactured goods in FY2022. Thus the FY2022 and FY2023 is not comparable.

## Finance Costs

Finance Costs in terms of value and percentage increased by ₹ 116.43 Lakhs and 12870.86% from ₹ 0.90 Lakhs in the fiscal year ended March 31, 2022 to ₹ 117.33 Lakhs in the fiscal year ended March 31, 2023. Finance Costs was decreased mainly due to lower interest outgo on borrowings.

## Depreciation & Amortization Expenses

Depreciation in terms of value increased by ₹ 51.79 Lakhs from nil Lakhs in the fiscal year ended March 31, 2022 to ₹ 51.79 Lakhs in the fiscal year ended March 31, 2023. Increase in depreciation is due to increase in assets and in general in nature.

## Net Profit after Tax

Net Profit has increased by ₹ 1.55 Lakhs and 136.13% from ₹ 1.14 Lakhs in the fiscal year ended March 31, 2022 to ₹ 2.68 Lakhs in the fiscal year ended March 31, 2023. The Net Profit was increased due to better price realization and commencement of commercial operations. The FY2023 was the first year of operation and the company has started operation in the month of June 2022. There was no sale of manufactured goods in FY2022. Thus the FY2022 and FY2023 is not comparable.

## Cash Flows

(Amount ₹ in lacs)

Particulars	For the Period ended June 30, 2024	For the year ended March 31,		
		2024	2023	2022
Net Cash from Operating Activities	498.66	36.08	(1227.61)	5.11
Net Cash from Investing Activities	(17.23)	(5.51)	(140.08)	(1089.96)
Net Cash used in Financing Activities	(458.44)	(102.93)	1473.09	1089.92

### *Cash Flows from Operating Activities*

Net cash from operating activities for Period ended June 2024 was at ₹ 498.66 lacs as compared to the EBIDTA at ₹170.38 lacs Net cash from operating activities for fiscal 2024 was at ₹ 36.08 lacs as compared to the EBIDTA at ₹472.19 lacs, while for fiscal 2023, net cash from operating activities was at ₹(1227.61) lacs as compared to the EBIDTA at ₹189.93 lacs. For fiscal 2022, the net cash from operating activities was ₹5.11 lacs compared to EBIDTA of ₹ 2.42 lacs.

### *Cash Flows from Investment Activities*

Net cash from Investing activities for Period ended June 2024 was at ₹ (17.23) lacs. Net cash from investing activities for the fiscal 2024 was ₹ (5.51) lacs. This negative cash outflow is attributed to increase in investment in plant and equipments. Net cash from investing activities was at ₹ (140.08) lacs and ₹(1089.96) lacs and in the fiscal 2023 and 2022 attributed to increase in investment in plant and equipments.

### *Cash Flows from Financing Activities*

Net cash from Financing activities for Period ended June 2024 was at ₹ (458.44) lacs Net cash from financing activities for fiscal 2024 was at ₹ (102.93) lacs. The negative cash flow was on account of higher interest outgo and repayment of loan. In fiscal 2023 was ₹ 1473.09 lacs due increased loans and borrowings. For fiscal 2022, the net cash from financing activities was ₹ 1089.92 lacs on account of loans and borrowings and proceeds from issue of equity shares.

## OTHER MATTERS

### 1. Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled *“Financial Information”* and chapter titled *“Management’s Discussion and Analysis of Financial Conditions and Results of Operations”*, beginning on Page 166 and 209 respectively of this Draft Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled *“Risk Factors”* and *“Management’s Discussion and Analysis of Financial Conditions and Result of Operations”*, beginning on Page 21 and 209 respectively of this Draft Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

**4. Future relationship between Costs and Income**

Other than as described in the chapter titled *“Risk Factors”* beginning on Page 21 of this Draft Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

**5. Competition Conditions**

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, price and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

## OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company as at and for the three months period ended June 30, 2024 and as at and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022, together with all annexures, schedules and notes thereto (“**Audited Financial Statements**”) are available at [www.swasthfoodtech.com](http://www.swasthfoodtech.com). Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any LM, nor any of their respective employees, directors, shareholders, affiliates, agents, advisors or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein. The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(In Lakhs)

Particulars	30th June, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Net Worth (A)	712.28	624.04	302.89	300.20
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	170.37	472.19	189.93	2.42
Restated PAT as per Profit and Loss Account (Rs. In lakhs)	88.24	193.24	2.69	1.14
Less: Prior Period Item	-	-	-	-
Adjusted Profit After Tax (PAT) [B]	88.24	193.24	2.69	1.14
Number of equity share outstanding as on the end of year/period - Refer Note 1(C)	42,69,682	42,69,682	29,90,592	29,90,592
Weighted Average Number of Equity Shares Outstanding During the year/period (D)	42,69,682	38,43,319	29,90,592	29,90,592
Number of outstanding equity shares at the end of the period (E)	42,69,682	42,69,682	29,90,592	29,90,592
Current Assets (F)	2,494.26	2,021.03	1,843.95	162.27
Current Liabilities (G)	2,538.78	2,119.94	2,195.25	468.91
Face value per share (Rs.)	10.00	10.00	10.00	10.00
<b>Earnings per share</b>				
Basic earning per share based on weighted average number of shares (INR) (B/D)	2.07	5.03	0.09	0.04
Diluted earning per share based on weighted average number of shares (INR) (B/D)	2.07	5.03	0.09	0.04
Basic earning per share based on shares outstanding at the end of the year(INR) (B/E)	2.07	4.53	0.09	0.04
Diluted earning per share based on shares outstanding at the end of the year(INR) (B/E)	2.07	4.53	0.09	0.04
Return on net worth (%) (B/A)	12.39%	30.97%	0.89%	0.38%
Net asset value per share - (A/C) (Face value of Rs. 10 each)	16.68	14.62	10.13	10.04
Current ratio (H/I)	0.98	0.95	0.84	0.35

"Details of numerator and denominator for the above ratio are as under:

(1) Current Ratio = Current Assets / Current Liabilities.

(2) Debt- equity ratio = Total debt / Shareholders' equity.

(3) Debt service coverage ratio = (Net Profit After Tax+ Depreciation+Interest)/(Principal + Interest).

- (4) *Return on equity ratio= Net profit after taxes / Avg Shareholder's Equity.*
- (5) *Inventory turnover ratio= Revenue from operation /Average inventory.*
- (6) *Trade receivables turnover ratio= Revenue from Operations /Average trade receivables.*
- (7) *Trade payables turnover ratio=Purchase/Average trade payables.*
- (8) *Net Capital turnover ratio=Net sales/Average working capital.*
- (9) *Net profit ratio=Net profit after taxes/Total Revenue.*
- (10) *Return on capital employed=Earnings before interest and taxes/Capital employed.*
- (11) *Return on investment/Total Assets=PAT/Total Assets.Shares have been not been considered ."*

6) *Net Asset Value per Equity Share = Net worth less preference share capital derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of year as per Restated Financial Statements after adjustment for Bonus Shares issued during the year.*

7) *The figures disclosed above are based on the Restated Financial Statements.*

*(The remainder of this page is intentionally left blank)*

## FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of its business for the purposes of working capital and other business requirements.

Our Company has obtained the necessary consent required under the loan agreements entered into in connection with and for undertaking activities in relation to the Issue, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

### SECURED BORROWINGS

As on June 30, 2024, we have availed secured loans of which the total outstanding amount secured loan is ₹ 1,803.92 lakhs as of date, the details of which are as under:

Sr. No.	Lender and Purpose	Date of Sanction	Amount Sanctioned (in ₹ Lakhs)	Amount Outstanding (as on June 30, 2024) (in ₹ Lakhs)	Rate of Interest/ Commission	Tenure / Tenor	Security
<b>1.</b>	<b>Axis Bank Limited</b>						
	Cash Credit	January 31, 2023	1,400.00	1,294.86	Repo + 2.60% = 8.85% p.a at present	12 months	<b>Mortgage Collateral:</b> i. Extension of EM on all that piece and parcel of land and building in the name of M/s Chhajer Agro Products Private Limited situated at Aushgram, Mouza-Belari and Panchayat-Billagram District-Burdwan, JL No. 148, Khatian No. LR 1824, Dist Burdwan ad measuring 531 Decimals together with all the buildings and structures thereon, fixtures, fittings and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future. The property is cross collateralized with M/s Chhajer Agro Products Private Limited. ii. Extension of EM of all that piece and parcel of land at Mouza- Belari, J.L No. 148, L.R Plot No. 2087,2089,2093,2119,2120, 2121 & 2122, L.R Khatian No. 2467, P.S Ausgram, Block Ausgram- I, Dist- Purba Bardhaman admeasuring 2.04 Acres together with all the buildings and structures thereon, fixtures, fittings and
	Term Loan 1	May 3, 2021	600.00	367.37	Repo +3.10% = 9.35% p.a. at present	75 Months (24 quarterly instalments of Rs 25.00 lakhs starting from June 2022 to March 2028)	
	Term Loan 2	July 13, 2022	200.00	141.69	Repo +3.10% = 9.35% p.a. at present	75 Months (24 quarterly instalments of Rs 8.33 lakhs starting from December 2022 to March 2028)	



Sr. No.	Lender and Purpose	Date of Sanction	Amount Sanctioned (in ₹ Lakhs)	Amount Outstanding (as on June 30, 2024) (in ₹ Lakhs)	Rate of Interest/ Commission	Tenure / Tenor	Security
							<p>all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future.in the name of our Company</p> <p><b>Hypothecation (Primary)</b> Entire Current assets and MFA of the company both present and future.</p> <p><b>Pledge (Primary Collateral)</b> Fixed Deposit of Rs10 lakhs</p> <p><b>Personal Guarantee (Primary/ Collateral)</b></p> <p>i. Dilip Chhajer ii. Vandana Chhajer iii. Lakshay Jain iv. Shrey Jain</p> <p><b>Corporate Guarantee of M/s Chhajer Agro Products Private Limited.</b></p>
<b>Total</b>			<b>2,200</b>	<b>1,803.92</b>			

#### UNSECURED BORROWINGS

As on June 30, 2024, we have availed unsecured loans details of which are as under:

Sr. No.	Nature of Facilities	Tenure	Rate of interest	Sanctioned Amount (₹ In lakhs)	Amount outstanding as on June 30, 2024 (₹ In lakhs)
1.	Business loan from Chhajer Agro Products Private Limited	Repayable on demand	9%	-	123.06
	<b>Total</b>				<b>123.06</b>

**CAPITALISATION STATEMENT**

*(in ₹ lakhs)*

<b>Particulars</b>	<b>Pre Issue (As on June 30, 2024)</b>	<b>Post Issue</b>
<b>Borrowings</b>		
Short- term	1,551.25	[•]
Long- term (including current maturities) (A)	375.74	
<b>Total Borrowings (B)</b>	<b>1,926.99</b>	
<b>Shareholders' funds</b>		
Share capital	426.97	
Reserves and surplus	285.31	
Less: Miscellaneous Expenses not w/off	NIL	
<b>Total Shareholders' funds (C)</b>	<b>712.28</b>	
<b>Long- term borrowings/ equity* {(A)/(C)}</b>	<b>0.53</b>	
<b>Total borrowings / equity* {(B)/(C)}</b>	<b>2.71</b>	

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or Stock Exchanges against the Promoters in the last three financial years, including any outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors, Promoters and Group Companies (“**Related Parties**”).

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated July 18, 2024, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Draft Prospectus, if:

- a.) The aggregate monetary claim/ dispute amount/ liability made by or against our Company in any such pending litigation (individually or in aggregate), is equivalent to or above 20% of the restated profit after tax of our Company, as per the latest completed fiscal year of the Restated Financial Statements (amounting to ₹ 38.65 lakhs);
- b.) Any such pending litigation / arbitration proceeding involving the Directors or Promoters of our Company or our Group Company, which may have a material adverse impact on the business, operations, performance, prospects, financial position or reputation our Company; and
- c.) any such litigation wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in (a) or (b) above, as applicable, or wherein our Company is not a party, but the outcome of which could, nonetheless, have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company.

Our Board of Directors considers dues owed by our Company to the small-scale undertakings and other creditors exceeding 10% of the restated trade payables, as per the latest completed period of the Restated Financial Statements (amounting to ₹ 94.80 lakhs), as material dues for the Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on July 18, 2024. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.

All terms defined in a particular litigation are for that particular litigation only.

#### 1. LITIGATION INVOLVING OUR COMPANY

##### i. Litigation against our Company

###### 1. Criminal Proceedings

Nil

###### 2. Actions taken by Statutory/Regulatory Authorities

Nil

###### 3. Tax Proceedings

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

(₹ in lacs)

Particulars	Number of cases	Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Direct Tax</b>		
Cases filed against our Company	Nil	Nil
Cases filed by our Company	Nil	Nil
<b>Total</b>	Nil	Nil

\*To the extent quantifiable

4. *Other Material Litigations*

Nil

5. *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*

Nil

We confirm that there are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non disclosure of which may have bearing on the investment decision.

**ii. Litigation by our Company**

1. *Criminal Proceedings*

Nil

2. *Civil and other Material Litigations*

Nil

**2. LITIGATION INVOLVING OUR PROMOTERS**

***Cases filed against our Promoters***

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Promoters, specifying the number of cases pending and the total amount involved:

(₹ in lacs)

Particulars	Number of cases	Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Promoters	1	11.88
Cases filed by our Promoters	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

*\*To the extent quantifiable*

#### 4. Other Material Litigations

Nil

##### *Cases filed by our Promoters*

#### 1. Criminal Proceedings

Nil

#### 2. Other Material Litigations

Nil

##### *Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Fiscals*

As on date of this Draft Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoters in the last five Fiscals including any outstanding action.

### 3. LITIGATION INVOLVING OUR DIRECTORS

##### *Cases filed against our Directors*

#### 1. Criminal Proceedings

Nil

#### 2. Actions taken by Statutory/Regulatory Authorities

Nil

#### 3. Tax Proceedings

Below are the details of pending tax cases involving our Directors, specifying the number of cases pending and the total amount involved:

*(₹ in lacs)*

Particulars	Number of cases	Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil

Particulars	Number of cases	Amount involved*
Service Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<i>Direct Tax</i>		
Cases filed against our Directors	1	11.88
Cases filed by our Directors	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

\*To the extent quantifiable

3. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

4. *Other Material Litigations*

Nil

**Cases filed by our Directors**

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

**4. LITIGATION INVOLVING OUR SUBSIDIARY**

As on date of this Draft Prospectus, our Company does not have any subsidiaries.

**5. LITIGATION INVOLVING OUR GROUP COMPANY**

Nil

**6. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

In terms of the Materiality Policy dated July 18, 2024, our Company has no material creditor, as on date of this Draft Prospectus.

Details of amounts outstanding to creditors is as follows:

Particulars	No. of Creditors	<i>(₹ in lacs)</i>
		Amount
Outstanding dues to material creditors	Nil	Nil
Outstanding dues to small scale undertakings	4	13.43
Outstanding dues to other creditors	28	934.61
<b>Total outstanding dues</b>	<b>32</b>	<b>948.04</b>

For further details, refer to the section titled “Financial Information” on page 166 of this Draft Prospectus.

**7. MATERIAL DEVELOPMENT SINCE JUNE 30, 2024**

There have not arisen, since the date of the last financial statements disclosed in this Draft Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page 209 of this Draft Prospectus.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. Our Company has obtained the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. For details in connection with the regulatory and legal framework within which we operate, please refer to the chapter “Key Industrial Regulations and Policies” on page 126 of this Draft Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.*

*The following statements set out the details of licenses, permissions and approvals taken by our Company under various central and state laws for carrying out the business:*

### ***I. Issue related Approvals***

For the approvals and authorizations obtained by our Company in relation to the Issue, see “***Other Regulatory and Statutory Disclosures – Authority for the Issue***” on page 235 of this Draft Prospectus.

### ***II. Approvals from the Stock Exchanges***

- a) Our Company has received an in-principle approval from SME Platform of BSE Limited dated [●] for listing of Equity Shares issued pursuant to the Issue.
- b) Our Company’s ISIN is INE0TIR01017.

### ***III. General Approvals***

- a) Certificate of incorporation dated February 2, 2021 under the Companies Act, 2013 issued by Registrar of Companies, Central Registration Centre.
- b) Fresh Certificate of Incorporation dated May 20, 2024 issued under the Companies Act, 2013 issued by Registrar of Companies, Central Processing Centre, consequent upon conversion of our Company from a private limited company to a public limited company.
- c) Certificate of Registration dated February 2, 2021 issued under the Employee State Insurance Act, 1948 for allotting code number 74000713750000006 issued by Deputy Director of Sub-Regional Office of Employees State Insurance Corporation, Durgapur.
- (d) Letter dated February 2, 2021 issued under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 by the Employees’ Provident Fund Organisation for allotting code number WBDGP2292861000 to our Company.
- (e) Certificate of Importer-Exporter Code dated March 24, 2023 bearing file number KOLIECPAPPLY00030749AM23 issued by Office of the Additional Directorate General of Foreign Trade, Kolkata, Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India for the purpose of allotting IEC number ABFCS3751F to our Company.
- (f) Udyam Registration Certificate dated May 20, 2021 issued by Ministry of Micro, Small and Medium Enterprises, Government of India for allotting udyam registration number UDYAM-WB-03-0002410 to our Company.



- (g) Legal Entity Identifier certificate dated July 22, 2023 issued by the LEI Register India Private Limited for the purpose of allotting LEI No. 984500E91D5C040E6559 to our Company.

#### IV. Tax Related Approvals

- a) Our Company's Permanent Account Number issued by the Income Tax department is ABFCS3751F.
- b) Our Company's tax deduction and collection certificate dated February 3, 2021 issued by the Income Tax Department for allotment of tax deduction account number being, CALS50979F.
- c) Certificate of registration dated June 27, 2024 and effective from March 17, 2021 issued under the Central Goods and Service Tax Act, 2017 for the purpose of allotting, 19ABFCS3751F1Z8 (West Bengal), as the registration number.
- d) Certificate dated April 2, 2024 issued under the West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979 for allotting registration number 191010640033 to our Company.
- e) Certificate dated February 20, 2023 issued under the West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979 for allotting enrolment number 192157013872, to our Company.

#### V. Business Related Approvals

As mentioned hereinabove, we require various approvals, licenses, registrations and permits to carry on our operations in India and for executing business projects awarded to our Company. Some of these may expire in the ordinary course of business and applications for renewal of such approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the material approvals required by our Company for conducting our operations is provided below:


Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
1.	Registration certificate under the West Bengal Shops and Establishment Act, 1963 for our registered office	Government of West Bengal	PB00902N2024000503	July 13, 2024	July 12, 2027
2.	Consent to establish under the Water (Prevention & Control of Pollution) Act, 1974 & under the Air (Prevention & Control of Pollution) Act, 1981	West Bengal Pollution Control Board	Consent of Establish (NOC) Sl. No. 172532  Memo No. 861-5/WPBD-NOC (7688)/ 22	May 11, 2022	Valid until cancelled
3.	Consent to operate under Section 25 and 26 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention &	West Bengal Pollution Control Board	<b>Consent Letter No.-</b> CO 125202  Memo No. 3261-7/WPBD- Cont (8038)/ 23	December 6, 2023	December 31, 2027

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
	Control of Pollution) Act, 1981				
4.	Permit for sinking of new tubewell under the West Bengal Ground Water Resources (Management, Control and Regulations), Act 2005.	Geologist, SWID & Member Secretary, District Level Ground Water Resources Development Authority	Permit No. P0203148021190000001 TSE	August 2, 2022	Valid until cancelled
5.	License issued under Food Safety and Standards Act, 2006 for carrying on general manufacturing of refined rice bran oil (Central License).	Central Licensing Authority	12822999000662	August 30, 2022	August 29, 2027
6.	Certificate of registration of trade under rule 58(2) of the West Bengal Panchayat (Gram Panchayat Administration) Rules, 2004, as amended upto 2006	Gram Panchayat, Bilwagram, Purba Bardhaman	Trade Registration No. 273	June 3, 2022	June 2, 2025
7.	Fire Safety Recommendation for occupancy of our manufacturing plant	Office Of The Divisional Fire Officer, Purba Bardhaman, Government Of West Bengal	Memo no.:FSR/0125186210300252	January 13, 2022	Valid until cancelled
8.	Certificate for use of a boiler issued under the Indian Boilers Act, 1923	Directorate of Boilers, Government of West Bengal	<b>Certificate No.</b> WB/FINAL/2024/0705 <b>Registry No. of Boiler-</b> WBL13514	<b>Date of renewal:</b> May 7, 2024 <b>Date of Issue:</b> June 3, 2024	May 6, 2025
9.	Certificate of registration of generation plants issued under the Bengal Electricity Duty Rules, 1935	Asansol Zonal Office, Electricity Duty, Directorate of Commercial Taxes	Registered No. 10-1315	August 9, 2022	August 8, 2025
10.	Agreement executed between West Bengal State Electricity Distribution Company Limited ("WBSEDCL") and Swasth Foodtech India Private Limited ("Consumer") for	West Bengal State Electricity Distribution Company Limited	Agreement No. WBSEDCL-11A	June 30, 2021	-

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
	supply of electrical energy at extra high/ high voltage				
11.	Certificate of verification under the Legal Metrology Act, 2009	Inspector of Legal Metrology	SBVC A 2209060	May 6, 2024	June 20, 2025
12.	Project completion certificate certifying that the machineries installed and are tested and are allowed the processing of product	Technior Engineering India	-	May 3, 2022	-

#### **VI. Intellectual Property Related Approvals**

As on date of this Draft Prospectus, our Company has made the following applications for registering under the Trade Marks Act, 1999:

Particulars of Trademark	Application No.	Date of application	Class	Status
	6521933	July 11, 2024	29	Formalities Chk Pass

#### **VII. Licenses/ Approvals for which applications have been made by our Company and are pending:**

- i. Our Company has made an application for Fire Safety Certificate before Government of West Bengal Office of The Divisional Fire Officer, East Bardhaman.
- ii. Our Company has made an application for renewal of license under the West Bengal Fire Services Act, 1950 before Collector, Fire License Section, Kolkata.
- iii. Our Company has made an application before the Directorate of Factories for obtaining a license to operate a factory under the West Bengal Right to Public Services Act, 2013.

#### **VIII. Licenses / approvals which have expired and for which renewal applications have not been made by our Company.**

Nil

#### **IX. Licenses / Approvals which are required but not yet applied for by our Company:**

Our Company is yet to apply for change of our name on its licenses pursuant to its conversion into a public limited company.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

This Issue in terms of this Draft Prospectus has been authorized by the Board of Directors pursuant to a resolution dated July 11, 2024 and by the shareholders pursuant to a special resolution in an EGM held on July 15, 2024 under section 62 (1) (c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the SME Platform of BSE for using its name in the Draft Prospectus/Prospectus pursuant to letter dated [●]. BSE is the Designated Stock Exchange.

### **Prohibition by the SEBI or other Governmental Authorities**

Our Company, our Promoters, our Promoter Group, our Directors, Person in control of our Company, have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

### **Association with Securities Market**

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

### **Prohibition by RBI**

Neither our Company, our Promoters, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Draft Prospectus.

### **Eligibility for the Issue**

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any Directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our Directors is declared as Fugitive Economic Offender.

- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our Directors, are Wilful Defaulters or a fraudulent borrower.

Our Company is eligible for the issue in accordance with Regulation 229(1) 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 shall be upto ₹ 596.96 lakhs can Issue Equity Shares to the public and propose to list the same on the SME Platform of BSE Limited.

**We confirm that:**

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled “*General Information – Underwriting*” beginning on page 62 of this Draft Prospectus.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act, 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.
4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE. For further details of the arrangement of market making please refer to section titled “*General Information*” beginning on page 62 of this Draft Prospectus.
5. In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its promoters, promoter group or directors are not debarred from accessing the capital markets by the Board.
6. In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our promoters or directors are associated as a promoter or director are not debarred from accessing the capital markets by the Board.
7. In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoter or directors is a wilful defaulter or a fraudulent borrower.
8. In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoter or directors is a fugitive economic offender.
9. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to BSE (SME Platform of the BSE) is the Designated Stock Exchange.
10. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
11. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
12. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form.

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.

- Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into Tripartite agreement among the NSDL, our Company and Registrar to the issue dated February 15, 2024 and Tripartite agreement among the CDSL, our Company and Registrar to the issue dated February 29, 2024 for establishing connectivity.
- Our Company has a website i.e. [www.swasthfoodtech.com](http://www.swasthfoodtech.com)
- The Equity Shares of our Company held by our Promoters are in dematerialised form; and

- All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Prospectus.
- There has been no change in the promoter of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of BSE:

- 1) Our Company was originally incorporated under the name '*Swasth Foodtech India Private Limited*', pursuant to a certificate of incorporation dated February 2, 2021 issued by the Deputy Registrar of Companies, Registrar of Companies, Central Registration Centre. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in their meeting held on January 27, 2024 and by the Shareholders in an Extraordinary General Meeting held on February 21, 2024 and a fresh certificate of incorporation dated May 20, 2024 was issued by the Registrar of Companies, Central Registration Centre. Consequent to the conversion of our Company, the name of our Company was changed to '*Swasth Foodtech India Limited*'.
- 2) As on the date of this Draft Prospectus, the Company has a Paid-up Capital of Rs. 426.97 Lakhs and the Post Issue Capital will be of Rs. 596.96 lakhs which is less than ₹25 Crores.
- 3) The Company has a track record of at least 3 years as on the date of filling Draft Prospectus.
- 4) As on June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Company has net tangible assets of ₹ 712.28 Lakhs, ₹ 624.04 Lakhs, ₹ 302.89 Lakhs and ₹ 300.20 Lakhs.
- 5) The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for at least 2 financial years out of preceding three financial years and its net-worth as on June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is at least Rs. 1 crore.

Particulars	For the three month period ended June 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
EBITDA (₹ in lakhs)	170.37	472.19	189.93	2.42
Net Worth (₹ in lakhs)	712.28	624.04	302.89	300.20

- 6) The Leverage ratio (Total Debts to Equity) of the Company as on June 30, 2024 was 2.71:1.
- 7) The Company confirms that no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- 8) The Company further confirms that the Promoters or directors are not the promoters or directors (other than independent directors) of compulsory delisted companies by the Exchange and neither they are the promoters or directors of such companies on which the consequences of compulsory delisting is applicable/attracted or companies that are suspended from trading on account of noncompliance.
- 9) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, companies promoted by the promoters of the Company;
- 10) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
- 11) There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
- 12) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
- 13) The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.
- 14) There has been no change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment

- 15) The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.
- 16) The Company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company and promoters.
- 17) The Company confirms that there has not been any change in its name in last 1 year.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, HORIZON MANAGEMENT PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, HORIZON MANAGEMENT PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [•].**

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

*Note:*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, West Bengal at Kolkata in terms of sections 26, 32 and 33 of the Companies Act.*

#### **Disclaimer from our Company and the Lead Manager**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the Agreement entered between the LM (Horizon Management Private Limited) and our Company on July 18, 2024 and the Underwriting Agreement dated [•] entered into between the Underwriters and our Company and the Market Making Agreement dated [•] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

### **Disclaimer in Respect of Jurisdiction**

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, VCFs, FVCIs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), NBFCSIs or trusts under registered applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted non-residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at West Bengal, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

Applicants are advised to ensure that any Applications from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicants will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

### **Disclaimer Clause of the SME Platform of BSE**

As required, a copy of this Draft Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to the filing with the



RoC.

### **Filing**

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, the Draft Prospectus will be filed with SME Platform of BSE Limited. Pursuant to SEBI Master Circular, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Prospectus, will also be filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

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

### **Listing**

The Equity Shares of our Company are proposed to be listed on BSE (SME platform of BSE). Our Company has obtained in-principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of the BSE. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the BSE SME is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within three (3) Working Days of the Issue Closing Date. If Equity Shares are not allotted pursuant to the Offer within three (3) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

### **Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Advisor to the Company, Underwriter(s) to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*\* The consent will be taken while registering the Prospectus with Roc.*

Our Company has received written consent dated July 18, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft 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 July 18, 2024 on our restated financial information; and (ii) its report dated July 18, 2024 on the statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

### **Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or abroad the five (5) years preceding the date

of this Draft Prospectus except as disclosed in this Draft Prospectus.

#### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 65 of this Draft Prospectus.

#### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

#### **Particulars in regard to our Company and other listed group-companies / associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

#### **Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies/ Subsidiaries and Associates of our Company**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 65 of this Draft Prospectus our Company has not undertaken any previous public or rights issue. Our Company does not have any listed group companies or Subsidiary.

#### **Performance vis-a-vis objects - Last Issue of Group/Associate Companies**

As of date of this Draft Prospectus, our Company does not have any Associate companies or listed group companies.

#### **Performance Vis-À-Vis Objects –Public/ Rights Issue of Subsidiaries/ Listed Promoters**

As on the date of this Draft Prospectus, our Company does not have any listed subsidiary or listed Promoters.

#### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

#### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

#### **Option to Subscribe**

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

#### **Stock Market Data of the Equity Shares**

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

#### **Mechanism for Redressal of Investor Grievances**

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

#### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on July 11, 2024. For further details on the Stakeholders Relationship Committee, please refer to section titled “*Our Management*” beginning on page 141 of this Draft Prospectus.

**Our Company has appointed Seema Agarwal, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

Baro Chowmata Belari,  
Guskara, Purba Burdwan,  
Bardhaman, Burdwan – 713 141,  
West Bengal, India.  
**Telephone:** +91 890 073 8769  
**E-mail:** cs@swasthfoodtech.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

#### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

**Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

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

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

## Price Information of past issues handled by the Lead Manager

Price Information of past issues handled by the Lead Manager

Sr. No.	Issuer Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
1.	Cosmic CRF Limited	57.21	314	June 30, 2023	251.20	3.54%	2.80%	(1.83%)	1.71%	77.58%	11.31%
2.	Baba Food Processing (India) Limited	32.88	76	November 15, 2023	76.00	(11.58)	7.66%	(17.60%)	10.51%	NA	NA
3.	MVK Agro Food Product Ltd	6,588	120	March 7, 2024	70.00	(24.29%)	0.09%	NA	NA	NA	NA
4.	Shree Karni Fabcom Limited	42.49	227	March 14, 2024	260.00	5.95%	1.68%	NA	NA	NA	NA
5.	Veritaas Advertising Limited	8.48	114	May 21, 2024	275.00	NA	NA	NA	NA	NA	NA
6.	Tunwal E-Motors Limited	115.64	59	July 23, 2024	64.00	NA	NA	NA	NA	NA	NA

## Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount – 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium – 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount – 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing day*		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	4*	198.46	Nil	Nil	2	Nil	Nil	1	Nil	Nil	Nil	1	Nil	Nil
2024-25	2**	124.12	-	-	-	-	-	-	-	-	-	-	-	-

Break -up of past issues handled by Horizon Management Private Limited:

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2023-24	4	Nil
2024-25	2	Nil

Notes:

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

2. Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

For details regarding the track record of the Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Lead Manager as set forth in the table below:

Sr. No.	Name of the Lead Manager	Website
1	Horizon Management Private Limited	<a href="http://www.horizonmanagement.in">www.horizonmanagement.in</a>

## SECTION VII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

For details in relation to Issue expenses, see “*Objects of the Issue*” and “*Other Regulatory and Statutory Disclosures*” on pages 77 and 235, respectively.

#### **Authority for the Issue**

The present Public Issue of upto 17,00,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 11, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on July 18, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “*Description of Equity shares and terms of the Articles of Association*” on page 308 of the Draft Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “*Dividend Policy*” on page 165 of the Draft Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a Face Value of ₹10.00 each are being offered in terms of the Draft Prospectus at the price of ₹ [●]/- per equity Share (including premium of ₹ [●]/- per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “*Basis for Issue Price*” on page 90 of the Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **Compliance with SEBI (ICDR) Regulations**

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

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled “*Description of Equity Shares and terms of the Articles of Association*” beginning on page 308 of the Draft Prospectus.

#### **Allotment only in Dematerialised Form**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

1. Tripartite agreement dated February 15, 2024 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
2. Tripartite agreement dated February 29, 2024 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

#### **Minimum Application Value, Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME Platform of BSE 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 [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

*Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.*

#### **Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be 50 shareholders in case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

#### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.



## Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## Withdrawal of the Issue

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

## Period of Operation of Subscription List of Public Issue

ISSUE OPENS ON	●
ISSUE CLOSES ON	●

## Minimum Subscription

*In accordance with Regulation 260 (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267*

*(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than Rs. 1,00,000 (Rupees One Lakh) per application.*

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the Offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within four days from the closure of the issue, if there is a delay beyond such time, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest as prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and applicable laws.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of issue.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.

#### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Exchange.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed in the section titled “*Capital Structure*” beginning on page 65 of the Draft 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 209 of the Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### **Allotment of Securities in Dematerialised Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹25 crores 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 favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we 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 favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares issued and transferred through this Offer are proposed to be listed on the SME Platform of BSE 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 SME Platform of BSE. For further details of the market making arrangement please refer to chapter titled “***General Information***” beginning on page 56 of this Draft Prospectus.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in West Bengal.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (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 shall not be more than ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page 246 and 255 of the Draft Prospectus.

Our Company is proposing the public issue of upto 17,00,000 equity shares of face value of ₹ 10/- each of Swasth Foodtech India Limited (the “Company” or the “Issuer”, and such equity shares the “Equity Share”) for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share (the “Issue Price”) aggregating to ₹ [●] lakhs (the “Issue”), of which [●] Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs will be reserved for subscription by Market Maker to the Issue (the “Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e. Net Issue of [●] Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs is herein after referred to as the “Net Issue”. The Issue and the Net Issue will constitute [●]% and [●]%, respectively, of the post issue paid up Equity Share capital of our company.

The Issue is being made by way of Fixed Price Issue Process

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	[●] Equity Shares	[●] Equity Shares
Percentage of Issue Size available for allocation	[●]% of the Issue Size	[●]% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to “Issue Procedure” on page 255 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applications shall make the application (Online or Physical) through ASBA Process Only	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	<p><b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares at an Issue price of [●] each, such that the Application Value exceeds ₹ 2,00,000/-.</p> <p><b><u>For Retail Individuals Investors:</u></b> [●] Equity Shares at an Issue price of [●] Each</p>	[●] Equity Shares
Maximum Application Size	<p><b><u>For Other than Retail Individual Investors:</u></b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.</p> <p><b><u>For Retail Individuals Investors:</u></b></p>	[●] Equity Shares

	Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹2,00,000/-	
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Application lot Size	[●] Equity Shares thereafter Equity Shares and in multiples of [●]	
Terms of Payment	The entire Application Amount shall be blocked by the SCSBs in the bank account of the Applicants, or by the Sponsor Banks through UPI mechanism (for RIIs using the UPI Mechanism) at the time of the submission of the Application Form	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “*Issue Structure*” on page 252 of the Draft Prospectus.

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue ‘the allocation’ in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
  - (i) Individual Applicant other than retail Individual Investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

***If the retail individual investor category is entitled to more than fifty percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.***

#### **Withdrawal of the Issue**

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

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

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

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Prospectus after it is filed with the RoC.

#### **Issue Programme:**

<b>ISSUE OPENING DATE</b>	[●]
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<b>ISSUE CLOSING DATE</b>	[●]
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Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## ISSUE PROCEDURE

All Applicants shall review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations.

The General Information Documents will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, had introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”) and this phase was to continue till March 31, 2020 and post which reduced timeline from T+6 days to T+3 days was to be made effective using the UPI Mechanism for applications by RIBs. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 (“T+3 SEBI Circular”). The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular



*SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Draft Prospectus. SEBI, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application size are up to ₹5 lakhs shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Prospectus.*

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process.*

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated as per applicable law. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

*Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.*

*Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

## **FIXED PRICE ISSUE PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229 (1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at Issue Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.**

#### **PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR**

SEBI has issued UPI Circular in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 and till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and the continuation of this phase has been extended until March 31, 2020. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

**Phase III/T+3:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 vide T+3 Press Release. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Press Release as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the

Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders into the UPI Mechanism.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the Lead Manager.

**Electronic registration of Bids**

- a) The Designated Intermediary registered the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the online facilities on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries uploaded the Bids till such time as were permitted by the Stock Exchanges and as disclosed in this Draft Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges’ Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

**AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. An electronic copy of the Application Form will also be available for download on the website of the Stock Exchange (BSE) i.e. www.bsesme.com at least one day prior to the Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue through intermediaries shall use only UPI payment mechanism for application. The application form submitted by NIIs and QIBs must provide applicant’s bank account details and authorization to block funds in the relevant space provided in the Application Form. Further, Retail Individual Investors submitting application form using UPI shall mention the UPI of his/her own Bank account in the application form in the relevant space. The Application Forms that do not contain applicant’s bank account details or UPI of own Bank Account, as the case may be, are liable to be rejected. All the investors were also required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Bid Amount which could have been blocked by the SCSB.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Applications made by the

RIIs using third party bank account or using third party linked bank account UPI ID were liable for rejection.

The prescribed colour of the Application Form for various categories is as follows:

<b>Category</b>	<b>Colour of Application Form*</b>
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII’s, FVCIs etc. applying on a repatriation basis	Blue

*\*excluding electronic Application Forms downloaded by the Applicants.*

**SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS**

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked Bank Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained
- ii. A syndicate member (or sub-syndicate member)
- iii. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- iv. A depository participant (“DP”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. A registrar to an issuer and share transfer agent (“RTA”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), shall enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors (other than</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they

<b>Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:</b>	shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange(s) shall validate the electronic application details with depository's records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or Subsequent notice of such changes to the Applicants.

#### **WHO CAN APPLY?**

**As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

#### **Subject to the above, an illustrative list of Applicants is as follows:**

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta".

Applications by HUFs would be considered at par with those from individuals;

- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;

- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

*The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.*

**PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER**

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Lead Manager and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoters and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

**APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

**APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company.

Provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds.

- No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications, provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

#### **APPLICATIONS BY ELIGIBLE NRIS ON REPATRIATION BASIS**

#### **ELIGIBLE NRIS APPLYING ON A REPATRIATION BASIS ARE ADVISED TO USE THE APPLICATION FORM MEANT FOR NON-RESIDENTS (BLUE IN COLOUR).**

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application on a repatriation basis by using the Non Resident Forms, should authorize their SCSSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) or ASBA Accounts.

**Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSSB to block their Non Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.**

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

#### **APPLICATIONS BY ELIGIBLE FIIs INCLUDING FIIs ON REPATRIATION BASIS**

#### **FIIs INCLUDING FIIs WHO WISH TO PARTICIPATE IN THE ISSUE ARE ADVISED TO USE THE APPLICATION FORM FOR NON- RESIDENTS (BLUE IN COLOUR).**

As per the current regulations, the following restrictions are applicable for investments by FIIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial



Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - (a). A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - (b). Nothing contained in clause (a) shall apply to:
    - i. Any transactions in derivatives on a recognized stock exchange;
    - ii. Short selling transactions in accordance with the framework specified by the Board;
    - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - iv. Any other transaction specified by the Board.
  - (c). No transaction on the stock exchange shall be carried forward;
  - (d). The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board;

Provided nothing contained in this clause shall apply to:

- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
  - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - iii. sale of securities in response to an offer made by any promoters or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
  - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
  - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
  - vi. Any Application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
  - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - viii. Any other transaction specified by the Board.
- (e). A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
  - (a). Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
  - (b). Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
15. The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.
17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.
18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Further, the SEBI, AIF Regulations prescribes, among others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicants on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all such Applicants will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The “IRDA Investment Regulations”), are broadly set forth below:

- (a.) Equity shares of a Company: the least of 10% of the investee Company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b.) The entire group of the investee Company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c.) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI’s, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our

Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a.) With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b.) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c.) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.
- d.) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

*The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

## **INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE**

### **ASBA PROCESS**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

#### **CHANNELS OF SUBMISSION OF APPLICATION FORMS**

From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

<b>Category of Investor</b>	<b>Channel I</b>	<b>Channel II</b>	<b>Channel III</b>	<b>Channel IV</b>
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the	Not Applicable

Category of Investor	Channel I	Channel II	Channel III	Channel IV
			application form to Designated Branch of the concerned SCSB for blocking of funds.	

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR**

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

##### **Application and validation process**

- (a). submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- (b). RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- (c). The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.
- (d). Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- (e). Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.

- (f). SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

### **The Block Process**

- (a). Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- (b). The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- (c). The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- (d). The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IPO.
- (e). Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs’ bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- (f). The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- (g). The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- (h). RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

### **NUMBER OF APPLICATIONS PER BANK ACCOUNT**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

### **HOW TO APPLY?**



In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **MODE OF PAYMENT**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and all related circulars issued thereafter, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

### **UNBLOCKING OF ASBA ACCOUNT**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application or Application made through UPI Mechanism, as the case may be.

### **MAXIMUM AND MINIMUM APPLICATION SIZE**

The applications in this Issue, being a fixed price issue, will be categorized into two;

#### **1. For Retail Individual Applicants**

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

#### **2. For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.**

### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

**INFORMATION FOR THE APPLICANTS**

- a.) The Company will file the Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
- b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

**PRE-ISSUE ADVERTISEMENT**

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations.

**SIGNING OF UNDERWRITING AGREEMENT**

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on [●]

**FILING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 32 of Companies Act, 2013.

**INFORMATION FOR THE APPLICANTS**

- a.) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b.) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall make necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

- c.) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d.) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 5 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within two working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 5 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## **INTEREST AND REFUNDS**

### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **GROUND FOR REFUND**

#### **NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In case, our Company fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within seven days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities. The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within eight days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

## **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the “Stated Minimum Amount” has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not receive the subscription of 100% of the Issue through this Draft Prospectus including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

## **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

## **MODE OF REFUND**

Within six Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

## **LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 6 Working Days of the Issue Closing Date.

## **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## GENERAL INSTRUCTIONS

### Do's:

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicants in case of joint Applications, is included in the Application Forms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their Application by using UPI mechanism for payment.
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicants whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Application;
- Ensure that you have funds equal to the Application Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

- Ensure that the category and the investor status is indicated;
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not make Application for Application Amount exceeding ₹ 2,00,000 (for Applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Net Issue Size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;

- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not make Application if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit Application by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

## **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in **BLOCK LETTERS** in **ENGLISH** only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the websites of BSE i.e. [www.bsesme.com](http://www.bsesme.com).

Applicants may note that forms not filled completely or correctly as per instructions provided in this Draft Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the LM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below;

### **A. INSTRUCTION FOR FILLING THE APPLICATION FORM**





<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX	Application Form No. _____
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>	
		Mr. / Ms. _____	
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	Address _____	
		Email _____	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	Tel. No (with STD code) / Mobile _____	
		<b>2. PAN OF SOLE/FIRST APPLICANT</b>	
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b>		<b>6. INVESTOR STATUS</b>	
<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		<input type="checkbox"/> Non-Resident Indians - NRI (Repatriation basis) <input type="checkbox"/> Foreign Institutional Investor - FII/ <input type="checkbox"/> Foreign Portfolio Investor - FPI <input type="checkbox"/> Foreign Venture Capital Investor - FVCI <input type="checkbox"/> FII Sub Account Corporate / Individual - FIISA <input type="checkbox"/> Others - OTH (please specify)	
<b>4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")</b>		<b>5. CATEGORY</b>	
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share <sup>1</sup> <input type="checkbox"/> "Cut-Off" Price (In Figures)      (In Words)		<input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB	
<b>ALLOTMENT WILL BE IN DEMAT MODE ONLY<sup>2</sup></b>			
<sup>1</sup> Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly. <sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.			

<b>7. PAYMENT DETAILS</b>		<b>PAYMENT OPTION : Full Payment</b>	
Amount Blocked (₹ in Figures) _____		(₹ in words) _____	
ASBA Bank A/c No. _____			
Bank Name & Branch _____			
OR			
UPI Id _____			
(Maximum 45 characters)			
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.			
<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>		<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	
Date: _____, 2019		I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
		1) _____	
		2) _____	
		3) _____	
		SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)	

----- TEAR HERE -----

<b>LOGO</b>	<b>XYZ LIMITED INITIAL PUBLIC ISSUE - NR</b>	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No. _____
DPID / CLID _____		PAN of Sole/First Applicant _____	
Amount Blocked (₹ in figures) _____		ASBA Bank & Branch _____	
ASBA Bank A/c No./UPI Id _____		Stamp & Signature of SCSB Branch	
Received from Mr./Ms. _____			
Telephone / Mobile _____ Email _____			

----- TEAR HERE -----

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>		In Figures	In Words	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	<b>Name of Sole / First Applicant</b>
	No. of Equity Shares				
	Amount Blocked (₹)				
	ASBA Bank A/c No. / UPI Id: Bank & Branch:				
<b>Acknowledgement Slip for Applicant</b>					Application Form No. _____

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

### **1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:**

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a.) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- b.) **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### **2. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:**

- a.) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b.) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Application on behalf of the Central or State Government, Application by officials appointed by the courts and Application by Applicant residing in Sikkim ("PAN Exempted Applicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c.) The exemption for the PAN Exempted Applicant is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d.) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e.) Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

### **3. FIELD NUMBER 3: APPLICANT'S DEPOSITORY ACCOUNT DETAILS**

- a.) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- b.) Applicants should ensure that the beneficiary account provided in the Application Form is active.

- c.) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- d.) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

#### **4. FIELD NUMBER 4: APPLICATION OPTIONS**

- a.) Since, this is the Fixed Price Issue and the Price has already been disclosed in the Prospectus, the Applicants should make application at the Issue Price only. For the purpose of this Issue, the Price has been Determined as [●] per equity shares (including premium of [●] per equity share).
- b.) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can make application at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at the Issue Price as determined in terms of Prospectus. Making Application at the Cut-off Price is prohibited for QIBs and NIIs and such Applications from QIBs and NIIs may be rejected.
- c.) **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors, minimum application of [●] Equity Shares to ensure that the minimum Application value is not exceeding ₹ 2,00,000 and not less than ₹ 1,00,000. For Application made by QIBs and Non – Institutional Investors, minimum application of [●] Equity Shares and in multiples of [●] Equity Shares thereafter to ensure that the minimum Application value is exceeding ₹ 2,00,000.
- d.) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum application Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage.

#### **Maximum and Minimum Application Size**

- e.) The Applicants may apply for the desired number of Equity Shares in multiple of [●] equity shares at Issue Price. Applications by Retail Individual Investors and Retail Individual Shareholders must be for [●] equity shares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹ 2,00,000.

In case the Application Amount exceeds ₹ 2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected.

For NRIs, Application Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.

- f.) Application by QIBs and NIIs must be for [●] equity shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter, as may be disclosed in the Application Form and the Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to make application at Cut off Price.
- g.) RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after making application and are required to pay the Application Amount upon submission of the Application.

- h.) In case the Application Amount reduces to ₹ 2,00,000 or less due to a revision of the Price, Application by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- i.) An Application cannot be submitted for more than the net issue size.
- j.) The maximum application by any applicant including QIB applicant should not exceed the investment limits prescribed for them under the applicable laws.

#### **Multiple Applications**

- k.) Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.
- l.) Applicants are requested to note the following procedures that may be followed by the Registrar to the Issue to detect multiple Applications:
  - i. All Applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple Application by Applicants and may be rejected.
  - ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Application on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. Such Applications which have the same DP ID and Client ID may be treated as multiple applications and are liable to be rejected.
- m.) **The following Applications may not be treated as multiple Applications:**
  - i. Applications by Reserved Categories making application in their respective Reservation Portion as well as application made by them in the Issue portion in public category.
  - ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
  - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **5. FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a.) The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b.) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR) Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c.) The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to various categories of Application in an issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.
- d.) For Issue specific details in relation to allocation, Applicants may refer to the Prospectus.

#### **6. FIELD NUMBER 6: INVESTOR STATUS**

- a.) Each Applicants should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.
- b.) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c.) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d.) Applicants should ensure that their investor status is updated in the Depository records.

**7. FIELD NUMBER 7: PAYMENT DETAILS**

- a.) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b.) The full Application Amount shall be blocked based on the authorization provided in the Application Form.
- c.) RIIs who make application at Cut-off price shall be blocked on the Cap Price.
- d.) All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- e.) RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- f.) Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

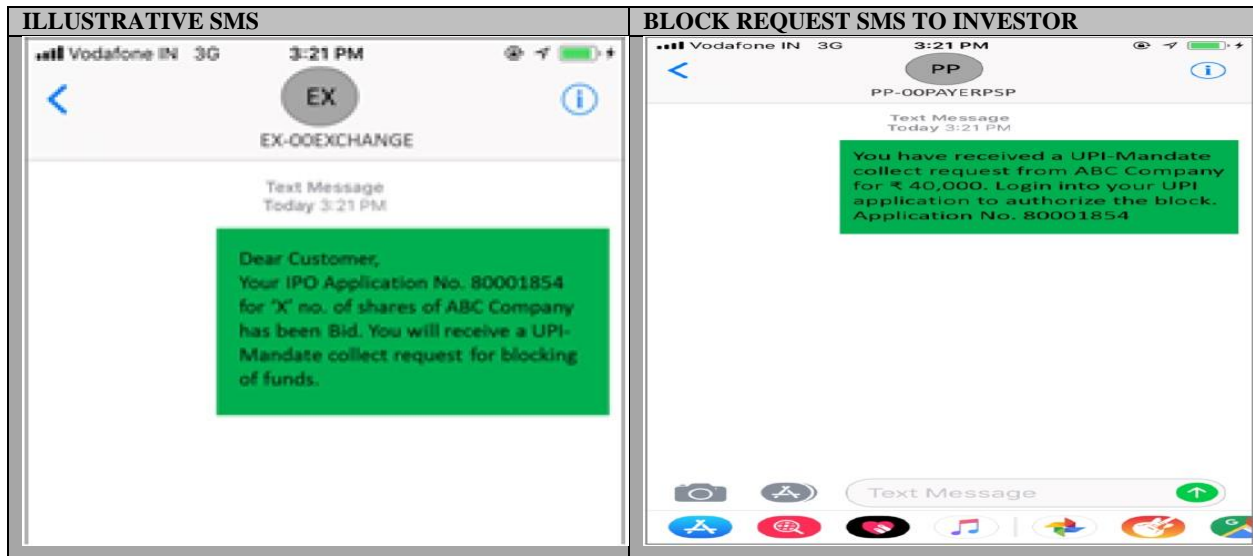
**Payment instructions for Applicants (other than Anchor Investors)**

- a.) From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

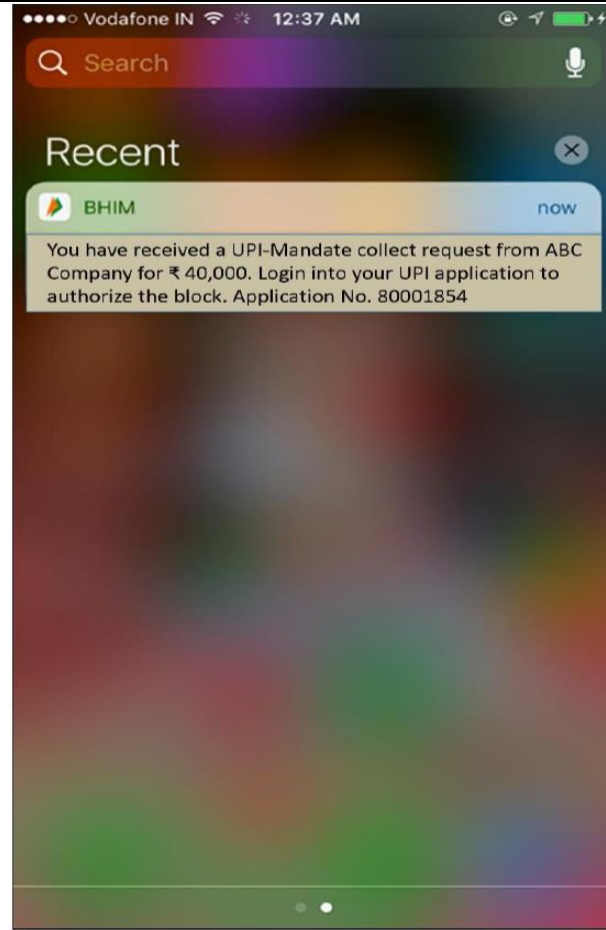
Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.		RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII)	For such applications the existing process of uploading the Application and blocking of finds in the		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.	Not Applicable

Category of Investor	Channel I	Channel II	Channel III	Channel IV
	RIs account by the SCSB would continue.		For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	

Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:

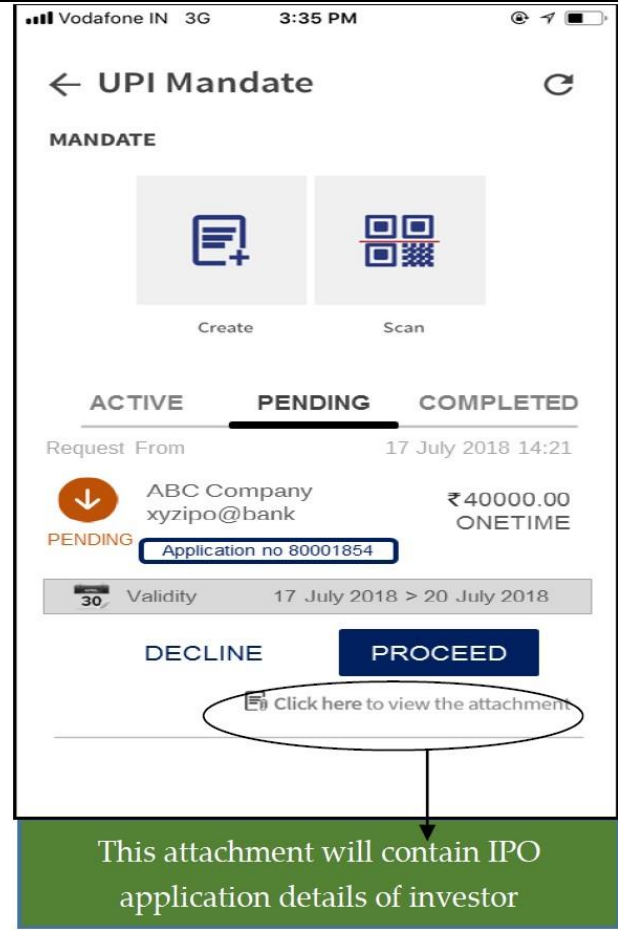


**BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION**



**SAMPLE OF IPO DETAILS IN ATTACHMENT**

**BLOCK REQUEST SMS TO INVESTOR**



**POST VERIFICATION OF DETAILS ABOVE**



**BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION**

Secure | https://^

1 Enter Details

**Investor Details**

Depository Name	DP ID	Client ID
NSDL	IN300513	14871468
Beneficiary No.	PAN Card	Investor's Name
-	AAMPF7581P	SHYAM SHARAM

**IPO Details**

Company Name	IPO Symbol	Bid Lot
IPO	SUPREMEENG	40000
Face Value	Maximum Price	Minimum Price
10.00	₹ 32.00	₹ 27.00
Cut Off Price	IPO Start Date	IPO End Date
₹ 32.00	20 July 2018	27 July 2018
Discount Amount	Discount Category	
NA	-	

**BLOCK REQUEST SMS TO INVESTOR**

Vodafone IN 3G 5:43 PM

← **Create Mandate**

TO

ABC Company

✓ xyzipo@bank **Verified Merchant**

Mandate Amount

**₹ 40000.00**

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs

Frequency

**ONETIME**

Validity

31 Start Date > 31 End Date  
**20 JULY 2018** > **27 JULY 2018**

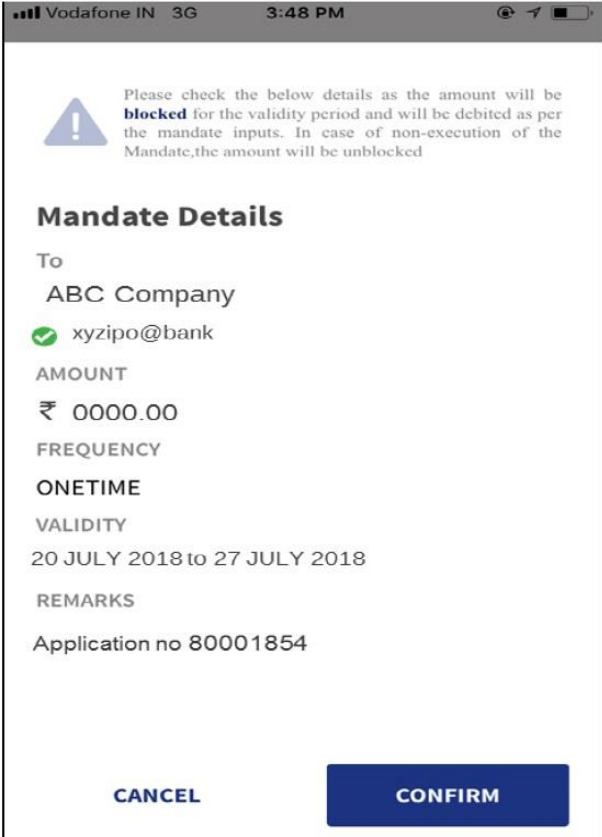
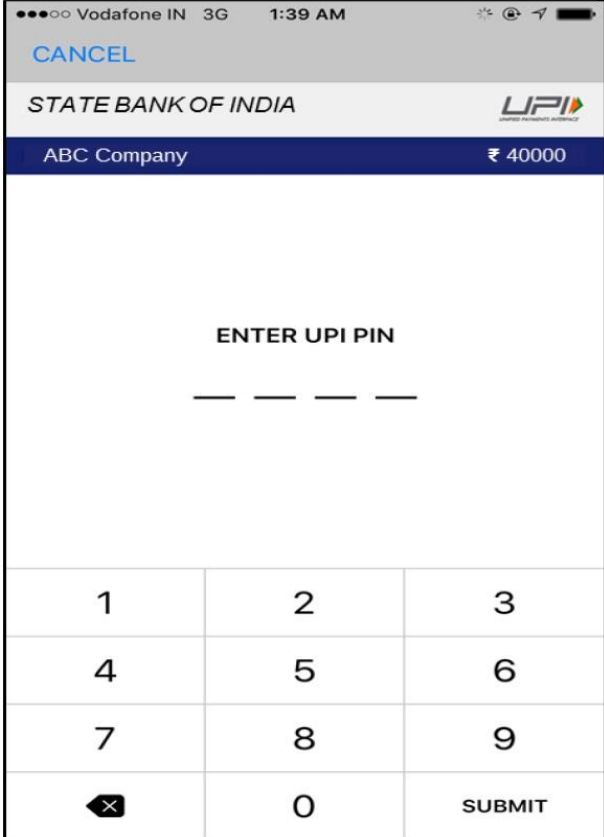
Users account will be debited within validity period.

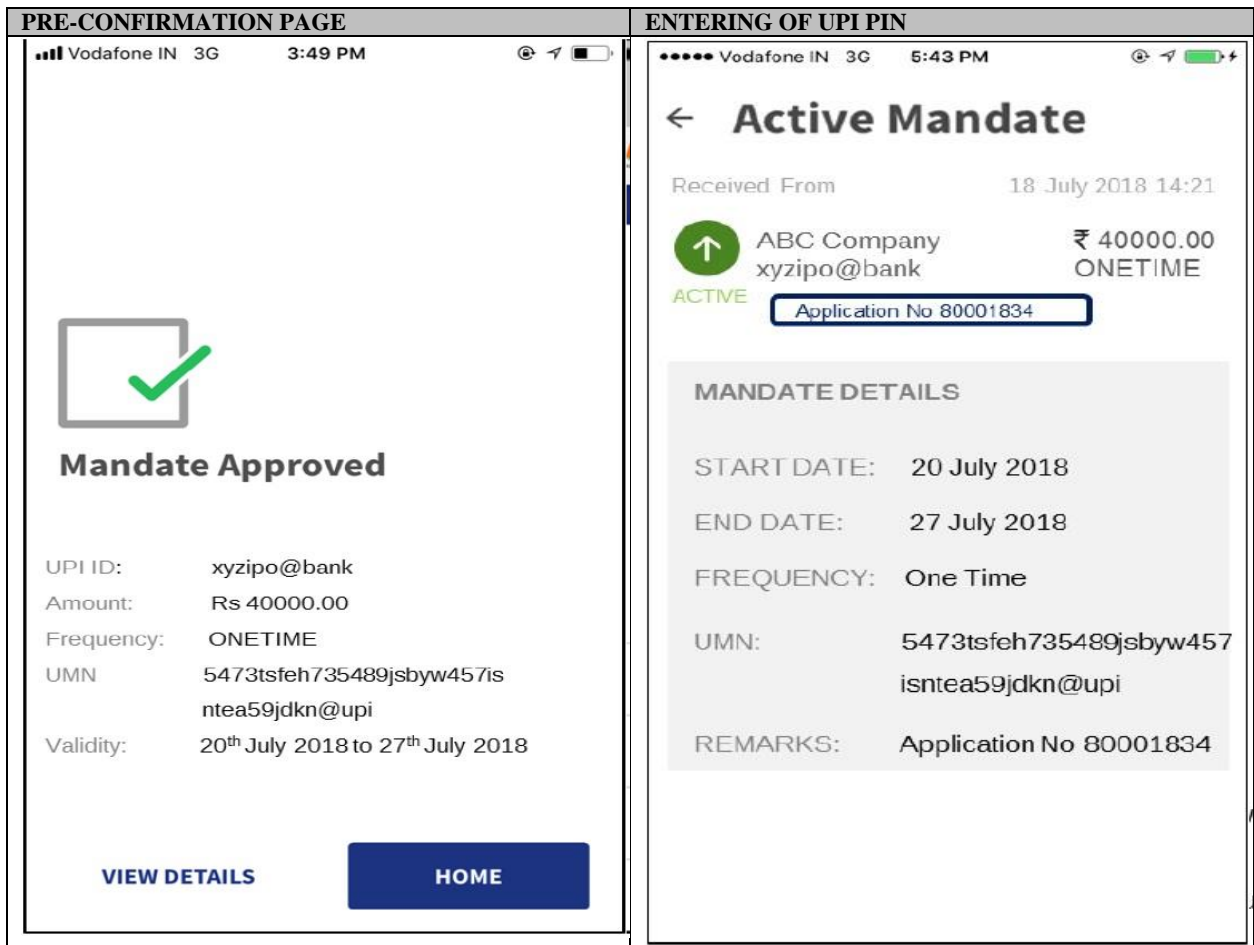
REMARKS

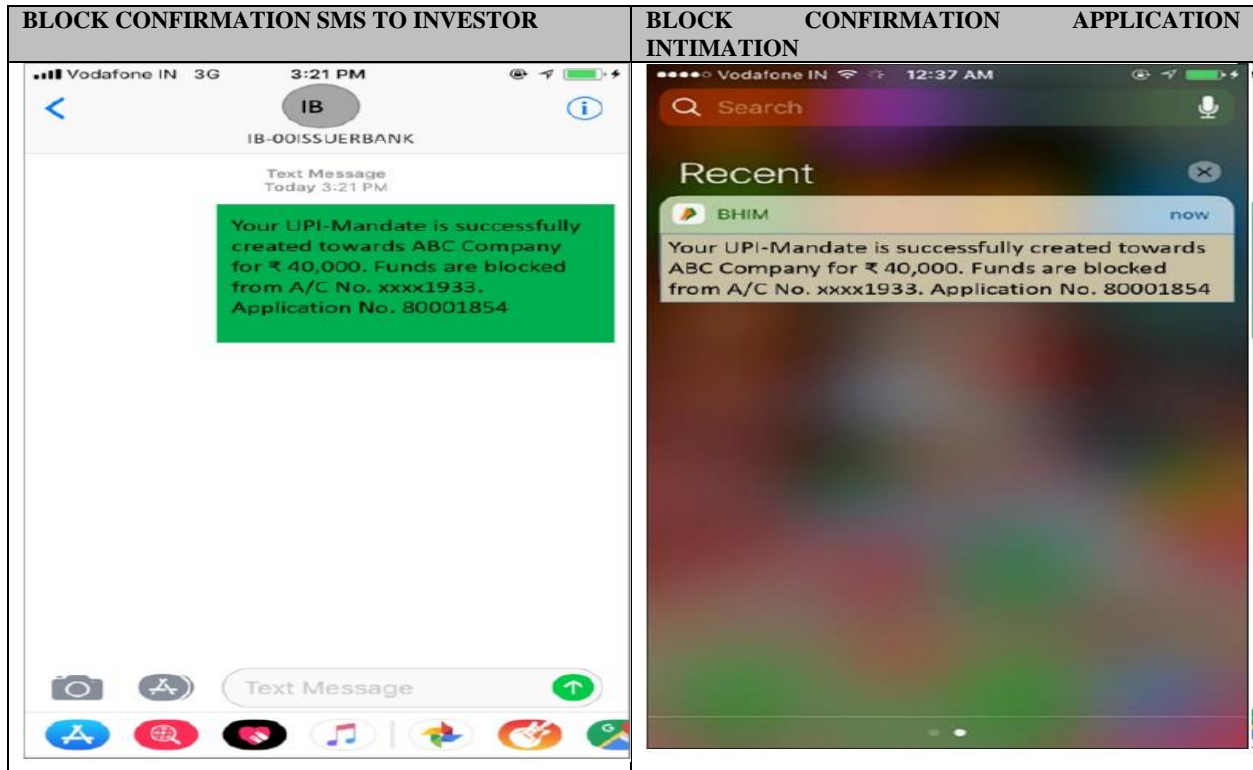
Application no 80001834

📎 Click here to view the attachment

**PROCEED**

PRE-CONFIRMATION PAGE	ENTERING OF UPI PIN												
 <p>Vodafone IN 3G 3:48 PM</p> <p>Please check the below details as the amount will be <b>blocked</b> for the validity period and will be debited as per the mandate inputs. In case of non-execution of the Mandate, the amount will be unblocked</p> <p><b>Mandate Details</b></p> <p>To ABC Company</p> <p>xyzipo@bank</p> <p>AMOUNT ₹ 0000.00</p> <p>FREQUENCY ONETIME</p> <p>VALIDITY 20 JULY 2018 to 27 JULY 2018</p> <p>REMARKS Application no 80001854</p> <p>CANCEL CONFIRM</p>	 <p>Vodafone IN 3G 1:39 AM</p> <p>CANCEL</p> <p>STATE BANK OF INDIA</p> <p>ABC Company ₹ 40000</p> <p>ENTER UPI PIN</p> <p>— — — —</p> <table border="1"> <tbody> <tr> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>7</td> <td>8</td> <td>9</td> </tr> <tr> <td>⌫</td> <td>0</td> <td>SUBMIT</td> </tr> </tbody> </table>	1	2	3	4	5	6	7	8	9	⌫	0	SUBMIT
1	2	3											
4	5	6											
7	8	9											
⌫	0	SUBMIT											
CONFIRMATION PAGE	APPROVED MANDATES VISIBLE IN UPI APPLICATION												





- b.) QIB and NII Applicants may submit the Application Form either;
- i. to SCSB in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or
  - ii. in physical mode to any Designated Intermediary.
- c.) Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- d.) Applicants should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- e.) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- f.) Applicants should submit the Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- g.) **Applicants making application through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

- h.) **Applicants making application directly through the SCSBs** should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i.) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- j.) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and for application directly submitted to SCSB by investor, may enter each application details into the electronic bidding system as a separate application.
- k.) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.
- l.) Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form, please refer to graphical illustrative process of the investor receiving and approving the UPI mandate request provided in clause (a).
- m.) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- n.) SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; else their Applications are liable to be rejected.

## **8. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT**

- a.) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.
- b.) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful Applicants to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c.) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Application Amount in the Relevant Account within four Working Days of the Issue Closing Date.

### **Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI mechanism**

- d.) Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/her bank account where the funds equivalent to the application amount is available.
- e.) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
- f.) RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.
- g.) The Designated Intermediary upon receipt of the Application Form will upload the application details along with UPI ID in the stock exchange bidding platform.
- h.) Once the application has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- i.) Once the application details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the application details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- j.) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- k.) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the application are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bank to block the application Amount mentioned in the Application Form and Subsequent debit in case of allotment.
- l.) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- m.) RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For each modification of the application, the RII will submit a revised application and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- n.) RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.
- o.) Post closure of the Issue, the stock exchange will share the application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

**Discount: NOT APPLICABLE**

**Additional Payment Instruction for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **9. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

- a.) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b.) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- c.) Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder is liable to be rejected.

#### **10. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a.) Applicant should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediary or SCSB, as applicable, for submission of the Application Form.
- b.) All communications in connection with Application made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicant should contact the Registrar to the Issue.
  - ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicant should contact the relevant Designated Branch of the SCSB.
  - iii. Applicants may contact the Company Secretary and Compliance Officer or Lead Manager in case of any other complaints in relation to the Issue.
  - iv. In case of queries relating to uploading of Application by a Syndicate Member, the Applicant should contact the relevant Syndicate Member.
  - v. In case of queries relating to uploading of Application by a Registered Broker, the Applicant should contact the relevant Registered Broker
  - vi. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.
  - vii. In case of Application submitted to the DP, the Applicant should contact the relevant DP.
  - viii. In case of queries relating to uploading of Application through the UPI Mechanism, the Applicant should contact the Sponsor Bank;
- c.) The following details (as applicable) should be quoted while making any queries –
  - i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.
  - ii. name and address of the Designated Intermediary, where the Application was submitted; or

- iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment of Application Amount through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.
- iv. For further details, Applicants may refer to the Prospectus and the Application Form.

**B. INSTRUCTIONS FOR FILLING THE REVISION FORM**

- a.) During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their Application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b.) RII may revise / withdraw their Application till closure of the Issue period.
- c.) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- d.) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had made the original Application. It is clarified that RIIs whose original Application is made using the UPI mechanism, can make revision(s) to their Application using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies of the blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:



<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXX	Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
-------------	--	--	--

<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> Address <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> Tel. No (with STD code) / Mobile <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> <b>2. PAN OF SOLE/FIRST APPLICANT</b> <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	

PLEASE CHANGE MY APPLICATION  PHYSICAL

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share)								Price per Equity Share (₹) [•]								"Cut-off" (Please tick)			
	(In Figures)								(In Figures)											
	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1	4	3	2	1	
Option 1 (OR) Option 2 (OR) Option 3	ORIGINAL APPLICATION								ORIGINAL APPLICATION								X			
<b>5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")</b>	REVISD APPL CATION								REVISD APPL CATION								X			

<b>6. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : Full Payment</b>
Additional Amount Blocked (₹ in Figures) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> (₹ in words) _____	
ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
Bank Name & Branch _____	
OR	
UPI Id <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span> (Maximum 45 characters)	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

<b>7A. SIGNATURE OF SOLE / FIRST APPLICANT</b>  Date: ....., 2019	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>  <div style="border: 1px solid black; width: 100%; height: 50px;"></div>
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-----TEAR HERE-----

<b>LOGO</b>	<b>XYZ LIMITED</b> REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
DPID / CLID <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>		PAN <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
Additional Amount Blocked (₹ in figures) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	ASBA Bank & Branch _____	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No./UPI Id _____			
Received from Mr./Ms. _____			
Telephone / Mobile <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	Email <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>		

-----TEAR HERE-----

<b>XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R</b>	Option 1    Option 2    Option 3	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Name of Sole / First Applicant
No. of Equity Shares	X		
Issue Price	X		
Additional Amount Blocked (₹)	X		
ASBA Bank A/c No. / UPI Id: _____			<b>Acknowledgment Slip for Applicant</b>
Bank & Branch: _____			Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.



## **11. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading “Instructions for Filling the Application Form”.

## **12. FIELDS 4 AND 5: APPLICATION OPTIONS REVISION ‘FROM’ AND ‘TO’**

- a.) Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form. For example, if Applicant has applied for [●] equity shares in the Application Form and such applicant is changing number of shares applied for in the Revision Form, the applicant must fill the details of [●] equity shares, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- b.) In case of revision, applicants’ options should be provided by applicants in the same order as provided in the Application Form.
- c.) In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, Subsequent to revision, does not exceed ₹ 200,000. In case the Application Amount exceeds ₹ 200,000 due to revision of the Application or for any other reason, the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given only to the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply for and purchase the Equity Shares at the Issue Price.
- d.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application will be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the RII does not either revise the Application or make additional payment and the Issue Price is higher than the price disclosed in the Prospectus, the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised application at Cut-off Price.
- e.) In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revise their application or the excess amount paid at the time of application may be unblocked in case of applicants.

## **13. PAYMENT DETAILS**

- a.) All Applicants are required to make payment of the full Application Amount along with the Application Revision Form.
- b.) Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant had placed the original application to enable the relevant SCSB to block the additional Application Amount, if any.
- c.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application may be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the Applicant does not either revise the application or make additional payment and the Price is higher than Issue price disclosed in the Prospectus prior to the revision, the number of Equity Shares applied for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the applicant is deemed to have approved such revised application at the Cut-off Price.

- d.) In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at the Cut-off Price, could either revise their application or the excess amount paid at the time of application may be unblocked.

#### **14. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 9 above under the heading “Instructions for Filling the Application Form” for this purpose.

#### **APPLICANT’S DEPOSITORY ACCOUNT AND BANK DETAILS**

*Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

*Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.*

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code, occupation (hereinafter referred to as ‘Demographic Details’) or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants’ sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

#### **OTHER INSTRUCTIONS**

#### **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

#### **MULTIPLE APPLICATIONS**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- I. All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN

allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration (“GIR”) number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB’s in the ASBA system, without any fault on the part of Applicant.**

## **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations for “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;

- Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- Submission of Application Form(s) using third party ASBA Bank Account;
- Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;
- In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

1. Tripartite agreement dated February 15, 2024 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
  2. Tripartite agreement dated February 29, 2024 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.
- a. The Company's shares bear an ISIN: INE0TIR01017
    - a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
    - b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
    - c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
    - d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
    - e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
    - f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
    - g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
    - h) The trading of the Equity Shares of our Company would be only in dematerialized form.

### **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;**

<p>Baro Chowmata Belari, Guskara, Purba Burdwan, Bardhaman, Burdwan – 713 141, West Bengal, India <b>Telephone:</b> +91 890 073 8769 <b>E-mail:</b> cs@swasthfoodtech.com</p>	<p><b>To the Registrar to the Issue MAS Services Limited</b> T-34, 2nd Floor, Okhla Industrial Area, Phase-II New Delhi- 110 020 <b>Telephone:</b> +91 112 638 7281/83, 114 132 0335 <b>Facsimile:</b> +91 112 638 7384 <b>E-mail:</b> ipo@masserv.com <b>Website:</b> www.masserv.com <b>Investor grievance:</b> investor@masserv.com <b>Contact Person:</b> N. C. Pal <b>SEBI Registration No.:</b> INR000000049</p>
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#### **DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY**

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

#### **IMPERSONATION**

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

- a) **‘Any person who: makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) **Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.**

*Section 447 of the Companies Act, 2013, is reproduced as below:*

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:*

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be*



*punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.*

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
  - (a). minimum fifty per cent. to retail individual investors; and
  - (b). remaining to:
    - i) individual applicants other than retail individual investors; and
    - ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

**Explanation:** If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail

portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “BASIS OF ALLOTMENT”.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of BSE.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of BSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. Adequate arrangements shall be made to collect all Application forms.

#### **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company’s balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the

balance sheet indicating the form in which such unutilized monies have been invested;

- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;
- 5) Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion (“**DPIIT**”)).

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular and shall be subject to FEMA Rules.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

The foreign investment in our Company is governed by inter alia the FEMA, as amended, the FEMA Rules, the FDI Policy issued and amended by way of press notes. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The aggregate limit for FPI investments shall be the sectoral cap applicable to our Company. In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. The above information is given for the benefit of the Bidders. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## SECTION VIII - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

We confirm that there are no material clauses of Article of Association that have been left out from disclosure having bearing on the Issue.

Article No.	Articles	Particulars
1.	<b>Table F Applicable.</b>	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.
<b>CAPITAL</b>		
3.	<b>Authorized Capital.</b>	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.
4.	<b>Increase of capital by the Company how carried into effect</b>	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.
5.	<b>New Capital same as existing capital</b>	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
6.	<b>Non-Voting Shares</b>	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
7.	<b>Redeemable Preference Shares</b>	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.
8.	<b>Voting rights of preference shares</b>	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
9.	<b>Provisions to apply on issue of Redeemable Preference Shares</b>	On the issue of redeemable preference shares under the provisions of Article hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid;

Article No.	Articles	Particulars
		<p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>
10.	<b>Reduction of capital</b>	<p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
11.	<b>Debentures</b>	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>
12.	<b>Issue of Sweat Equity Shares</b>	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>
13.	<b>ESOP</b>	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p>
14.	<b>Buy Back of shares</b>	<p>Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.</p>
15.	<b>Consolidation, Sub-Division And Cancellation</b>	<p>Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.</p>

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>16.</b>	<b>Issue of Depository Receipts</b>	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.
<b>17.</b>	<b>Issue of Securities</b>	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.
<b>MODIFICATION OF CLASS RIGHTS</b>		
<b>18.</b>	<b>Modification of rights</b>	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.
	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.
<b>19.</b>	<b>Shares at the disposal of the Directors.</b>	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.
<b>20.</b>	<b>Power to issue shares on preferential basis.</b>	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.
<b>21.</b>	<b>Shares should be Numbered progressively and no share to be subdivided.</b>	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
<b>22.</b>	<b>Acceptance of Shares.</b>	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.
<b>23.</b>	<b>Directors may allot shares as full paid-up</b>	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or

Article No.	Articles	Particulars
		machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.
24.	<b>Deposit and call etc.to be a debt payable immediately.</b>	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.
25.	<b>Liability of Members.</b>	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.
26.	<b>Registration of Shares.</b>	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.
<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>		
27.		The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act.
<b>CERTIFICATES</b>		
28.	<b>Share Certificates.</b>	<p>(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares 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</p>



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		<p>the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>
29.	<p><b>Issue of new certificates in place of those defaced, lost or destroyed.</b></p>	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>
30.	<p><b>The first named joint holder deemed Sole holder.</b></p>	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>
	<p><b>Maximum number of joint holders.</b></p>	<p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>
31.	<p><b>Company not bound to recognise any interest in share other than that of registered holders.</b></p>	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p>
32.	<p><b>Installment on shares to be duly paid.</b></p>	<p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.</p>
<b>UNDERWRITING AND BROKERAGE</b>		
33.	<p><b>Commission</b></p>	<p>Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.</p>

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>34.</b>	<b>Brokerage</b>	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.
<b>CALLS</b>		
<b>35.</b>	<b>Directors may make calls</b>	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.
<b>36.</b>	<b>Notice of Calls</b>	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
<b>37.</b>	<b>Calls to date from resolution.</b>	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.
<b>38.</b>	<b>Calls on uniform basis.</b>	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.
<b>39.</b>	<b>Directors may extend time.</b>	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.
<b>40.</b>	<b>Calls to carry interest.</b>	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
<b>41.</b>	<b>Sums deemed to be calls.</b>	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
<b>42.</b>	<b>Proof on trial of suit for money due on shares.</b>	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

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43.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.
44.	<b>Payments in Anticipation of calls may carry interest</b>	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend</p> <p>(b) or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>
<b>LIEN</b>		
45.	<b>Company to have Lien on shares.</b>	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.
46.	<b>As to enforcing lien by sale.</b>	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.
47.	<b>Application of proceeds of sale.</b>	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

Article No.	Articles	Particulars
<b>FORFEITURE AND SURRENDER OF SHARES</b>		
48.	<b>If call or installment not paid, notice may be given.</b>	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.
49.	<b>Terms of notice.</b>	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.
50.	<b>On default of payment, shares to be forfeited.</b>	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.
51.	<b>Notice of forfeiture to a Member</b>	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.
52.	<b>Forfeited shares to be property of the Company and may be sold etc.</b>	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.
53.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.
54.	<b>Effect of forfeiture.</b>	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
55.	<b>Evidence of Forfeiture.</b>	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.
56.	<b>Title of purchaser and allottee of Forfeited shares.</b>	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share

Article No.	Articles	Particulars
		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.
57.	<b>Cancellation of share certificate in respect of forfeited shares.</b>	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.
58.	<b>Forfeiture may be remitted.</b>	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.
59.	<b>Validity of sale</b>	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
60.	<b>Surrender of shares.</b>	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
61.	<b>Execution of the instrument of shares.</b>	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.
62.	<b>Transfer Form.</b>	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;
63.	<b>Transfer not to be registered except on production of instrument of transfer.</b>	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as

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		shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
64.	<b>Directors may refuse to register transfer.</b>	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;
65.	<b>Notice of refusal to be given to transferor and transferee.</b>	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.
66.	<b>No fee on transfer.</b>	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.
67.	<b>Closure of Register of Members or debenture holder or other security holders.</b>	The Board of Directors shall have power on giving not less than seven days 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.
68.	<b>Custody of transfer Deeds.</b>	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.
69.	<b>Application for transfer of partly paid shares.</b>	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
70.	<b>Notice to transferee.</b>	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
71.	<b>Recognition of legal representative.</b>	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

Article No.	Articles	Particulars
72.	<b>Titles of Shares of deceased Member</b>	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.
73.	<b>Notice of application when to be given</b>	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
74.	<b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b>	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.
75.	<b>Refusal to register nominee.</b>	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
76.	<b>Board may require evidence of transmission.</b>	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
77.	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>78.</b>	<b>Form of transfer Outside India.</b>	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.
<b>79.</b>	<b>No transfer to insolvent etc.</b>	No transfer shall be made to any minor, insolvent or person of unsound mind.
<b>NOMINATION</b>		
<b>80.</b>	<b>Nomination</b>	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>
<b>81.</b>	<b>Transmission of Securities by nominee</b>	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>
<b>DEMATERIALIZATION OF SHARES</b>		
<b>82.</b>	<b>Dematerialisation of Securities</b>	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.
<b>JOINT HOLDER</b>		
<b>83.</b>	<b>Joint Holders</b>	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.
<b>84.</b>	<b>Joint and several liabilities for all payments in respect of shares.</b>	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.



<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
	<b>Title of survivors.</b>	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;
	<b>Receipts of one sufficient.</b>	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and
	<b>Delivery of certificate and giving of notices to first named holders.</b>	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.
<b>SHARE WARRANTS</b>		
<b>85.</b>	<b>Power to issue share warrants</b>	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
<b>86.</b>	<b>Deposit of share warrants</b>	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.
<b>87.</b>	<b>Privileges and disabilities of the holders of share warrant</b>	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.
<b>88.</b>	<b>Issue of new share warrant coupons</b>	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.
<b>CONVERSION OF SHARES INTO STOCK</b>		
<b>89.</b>	<b>Conversion of shares into stock or reconversion.</b>	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.
<b>90.</b>	<b>Transfer of stock.</b>	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
<b>91.</b>	<b>Rights of stock holders.</b>	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in

Article No.	Articles	Particulars
		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.
92.	<b>Regulations.</b>	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.
<b>BORROWING POWERS</b>		
93.	<b>Power to borrow.</b>	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.
94.	<b>Issue of discount etc. or with special privileges.</b>	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
95.	<b>Securing payment or repayment of Moneys borrowed.</b>	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, 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.
96.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
97.	<b>Mortgage of uncalled Capital.</b>	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.
98.	<b>Indemnity may be given.</b>	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety 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.

Article No.	Articles	Particulars
<b>MEETINGS OF MEMBERS</b>		
99.	<b>Distinction between AGM &amp; EGM.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.
100.	<b>Extra-Ordinary General Meeting by Board and by requisition</b>	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members
	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.
101.	<b>Meeting not to transact business not mentioned in notice.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.
102.	<b>Chairman of General Meeting</b>	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.
103.	<b>Business confined to election of Chairman or Vice Chairman whilst chair is vacant.</b>	No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.
104.	<b>Chairman with consent may adjourn meeting.</b>	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
105.	<b>Chairman's casting vote.</b>	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.
106.	<b>In what case poll taken without adjournment.</b>	Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.
107.	<b>Demand for poll not to prevent transaction of other business.</b>	The demand for a poll except on the question of the election of the Chairman or Vice Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
<b>VOTES OF MEMBERS</b>		
108.	<b>Members in arrears not to vote.</b>	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by

Article No.	Articles	Particulars
		him have not been paid or in regard to which the Company has exercised, any right or lien.
109.	<b>Number of votes each member entitled.</b>	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.
110.	<b>Casting of votes by a member entitled to more than one vote.</b>	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
111.	<b>Vote of member of unsound mind and of minor</b>	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
112.	<b>Postal Ballot</b>	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.
113.	<b>E-Voting</b>	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
114.	<b>Votes of joint members.</b>	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>
115.	<b>Votes may be given by proxy or by representative</b>	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles
116.	<b>Representation of a body corporate.</b>	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.
117.	<b>Members paying money in advance.</b>	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
	<b>Members not prohibited if share not held for any specified period.</b>	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.
<b>118.</b>	<b>Votes in respect of shares of deceased or insolvent members.</b>	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.
<b>119.</b>	<b>No votes by proxy on show of hands.</b>	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.
<b>120.</b>	<b>Appointment of a Proxy.</b>	<b>Modification of rights-</b> (a 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.
<b>121.</b>	<b>Form of proxy.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
<b>122.</b>	<b>Validity of votes given by proxy notwithstanding death of a member.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.
<b>123.</b>	<b>Time for objections to votes.</b>	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
<b>124.</b>	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
<b>DIRECTORS</b>		
<b>125.</b>	<b>Number of Directors</b>	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution
<b>126.</b>	<b>Qualification shares.</b>	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.
<b>127.</b>	<b>Nominee Directors.</b>	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by

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		<p>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.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>
128.	<b>Appointment of alternate Director.</b>	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
129.	<b>Additional Director</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.
130.	<b>Directors power to fill casual vacancies.</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.
131.	<b>Sitting Fees.</b>	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.
132.	<b>Travelling expenses Incurred by Director on Company's business.</b>	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
133.	<b>Meetings of Directors.</b>	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>
134.	<b>Chairman and Vice Chairman</b>	a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, to the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors

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		present may choose one of the Directors among themselves to preside the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.
<b>135.</b>	<b>Questions at Board meeting how decided.</b>	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.
<b>136.</b>	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
<b>137.</b>	<b>Directors may appoint committee.</b>	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
<b>138.</b>	<b>Committee Meetings how to be governed.</b>	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
<b>139.</b>	<b>Chairperson of Committee Meetings</b>	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
<b>140.</b>	<b>Meetings of the Committee</b>	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
<b>141.</b>	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
<b>142.</b>	<b>Power to fill casual vacancy</b>	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
<b>POWERS OF THE BOARD</b>		
<b>143.</b>	<b>Powers of the Board</b>	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General

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		Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
<b>144.</b>	<b>Certain powers of the Board</b>	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say
	<b>To acquire any property , rights etc.</b>	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.
	<b>To take on Lease.</b>	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.
	<b>To erect &amp; construct.</b>	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.
	<b>To pay for property.</b>	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
	<b>To insure properties of the Company.</b>	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
	<b>To open Bank accounts.</b>	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.
	<b>To secure contracts by way of mortgage.</b>	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.
	<b>To accept surrender of shares.</b>	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.
	<b>To appoint trustees for the Company.</b>	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.



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	<b>To conduct legal proceedings.</b>	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.
	<b>Bankruptcy &amp; Insolvency</b>	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.
	<b>To issue receipts &amp; give discharge.</b>	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.
	<b>To invest and deal with money of the Company.</b>	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
	<b>To give Security by way of indemnity.</b>	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;
	<b>To determine signing powers.</b>	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.
	<b>Commission or share in profits.</b>	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.
	<b>Bonus etc. to employees.</b>	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.
	<b>Transfer to Reserve Funds.</b>	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business

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		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.
	<b>To appoint and remove officers and other employees.</b>	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.
	<b>To appoint Attorneys.</b>	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
	<b>To enter into contracts.</b>	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
	<b>To make rules.</b>	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.
	<b>To effect contracts etc.</b>	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.
	<b>To apply &amp; obtain concessions licenses etc.</b>	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.
	<b>To pay commissions or interest.</b>	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.
	<b>To redeem preference shares.</b>	(26) To redeem preference shares.

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	<b>To assist charitable or benevolent institutions.</b>	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
		(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.
		(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.
		(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.

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		(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.
<b>MANAGING AND WHOLE-TIME DIRECTORS</b>		
145.	<b>Powers to appoint Managing/ Whole-time Directors.</b>	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>
146.	<b>Remuneration of Managing or Whole-time Director.</b>	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.
147.	<b>Powers and duties of Managing Director or Whole-time Director.</b>	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>
<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>		

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148.	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>	a) Subject to the provisions of the Act,— <ol style="list-style-type: none"> <li>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</li> <li>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</li> </ol> b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.
<b>THE SEAL</b>		
149.	<b>The seal, its custody and use.</b>	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. (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.
150.	<b>Deeds how executed.</b>	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.
<b>DIVIDEND AND RESERVES</b>		
151.	<b>Division of profits.</b>	(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. (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. (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.
152.	<b>The company in General Meeting may declare Dividends.</b>	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.
153.	<b>Transfer to reserves</b>	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other

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		than shares of the company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
154.	<b>Interim Dividend.</b>	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
155.	<b>Debts may be deducted.</b>	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
156.	<b>Capital paid up in advance not to earn dividend.</b>	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.
157.	<b>Dividends in proportion to amount paid-up.</b>	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.
158.	<b>Retention of dividends until completion of transfer under Articles .</b>	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.
159.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.
160.	<b>Effect of transfer of shares.</b>	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.
161.	<b>Dividend to joint holders.</b>	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.
162.	<b>Dividends how remitted.</b>	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
163.	<b>Notice of dividend.</b>	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
164.	<b>No interest on Dividends.</b>	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.
<b>CAPITALIZATION</b>		
165.	<b>Capitalization.</b>	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:

Article No.	Articles	Particulars
		<ul style="list-style-type: none"> <li>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</li> <li>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</li> <li>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</li> <li>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</li> <li>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</li> </ul>
<b>166.</b>	<b>Fractional Certificates.</b>	<ul style="list-style-type: none"> <li>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — <ul style="list-style-type: none"> <li>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</li> <li>(b) generally to do all acts and things required to give effect thereto.</li> </ul> </li> <li>(2) The Board shall have full power - <ul style="list-style-type: none"> <li>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</li> <li>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</li> </ul> </li> <li>(3) Any agreement made under such authority shall be effective and binding on all such members.</li> <li>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</li> </ul>
<b>167.</b>	<b>Inspection of Minutes Books of General Meetings.</b>	<ul style="list-style-type: none"> <li>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</li> <li>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</li> </ul>
<b>168.</b>	<b>Inspection of Accounts</b>	<ul style="list-style-type: none"> <li>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</li> <li>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</li> </ul>
<b>FOREIGN REGISTER</b>		

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>169.</b>	<b>Foreign Register.</b>	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
<b>170.</b>	<b>Signing of documents &amp; notices to be served or given.</b>	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.
<b>171.</b>	<b>Authentication of documents and proceedings.</b>	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.
<b>WINDING UP</b>		
<b>172.</b>		Subject to the provisions of Chapter XX of the Act and rules made thereunder— (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. (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. (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.
<b>INDEMNITY</b>		
<b>173.</b>	<b>Directors' and others right to indemnity.</b>	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.
<b>174.</b>	<b>Not responsible for acts of others</b>	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious 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.



Article No.	Articles	Particulars
<b>SECRECY</b>		
175.	<b>Secrecy</b>	(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.
	<b>Access to property information etc.</b>	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

## SECTION IX - OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Prospectus until the Issue Closing Date and have also been uploaded on the website of our Company at [www.swasthfoodtech.com](http://www.swasthfoodtech.com).

#### 1. Material Contracts for the Issue

- (i) Issue Agreement dated July 18, 2024 entered into between our Company and the LM.
- (ii) Registrar Agreement dated July 18, 2024 entered into amongst our Company and the Registrar to the Issue.
- (iii) Tripartite agreement dated February 15, 2024 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- (iv) Tripartite agreement dated February 29, 2024 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.
- (v) Banker to the Issue Agreement dated [●] among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vi) Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
- (vii) Underwriting Agreement dated [●] amongst our Company and the Underwriters.

#### 2. Material Documents

- (i) Certificate of Incorporation dated February 2, 2021 under the Companies Act, 2013 issued by Deputy Registrar of Companies, Central Registration Centre.
- (ii) Certificate of incorporation dated May 20, 2024 issued under the Companies Act, 2013 by the Registrar of Companies, Central Registration Centre, pursuant to conversion of our Company into a public limited company.
- (iii) Resolution of the Board of Directors dated July 11, 2024 in relation to the Issue.
- (iv) Shareholders' resolution dated July 15, 2024 in relation to the Issue.
- (v) The examination reports dated July 18, 2024 of the Statutory Auditor, on our Company's Restated Financial Statements, included in this Draft Prospectus.
- (vi) Copies of the annual reports of our Company for the Fiscals 2024, 2023 and 2022.
- (vii) Statement of Tax Benefits dated July 18, 2024 from the Statutory Auditor included in this Draft Prospectus.
- (viii) Consent of the Promoters, Directors, the LM, Legal Counsel, Advisor to the Company, Registrar to the Issue, Market Maker, Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

- (ix) Consent letter dated July 18, 2024 of the Statutory Auditor to include their names as experts in relation to their report dated July 18, 2024 on the Restated Financial Information and the Statement of Tax Benefits dated July 18, 2024 included in this Draft Prospectus.
- (x) Due Diligence Certificate dated July 23, 2024 issued the LM.
- (xi) In principle listing approvals dated [●] issued by BSE.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

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**Dilip Chhajer**  
(Managing Director)

Sd/-

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**Shrey Jain**  
(Whole-time Director and Chief Financial Officer)

Sd/-

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**Lakshay Jain**  
(Whole-time Director)

Sd/-

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**Vandana Chhajer**  
(Non-Executive Director)

Sd/-

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**Silpi Agarwal**  
(Independent Director)

Sd/-

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**Chandan Gupta**  
(Independent Director)

Sd/-

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**Seema Agarwal**  
(Company Secretary & Compliance Officer)

**Place: Bardhaman, West Bengal**  
**Date: July 23, 2024**