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## **BSE Limited**

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**Ref : Scrip Code: 513713**

## **Sub : Business Updates**

In recent times, the demand for healthy food has increased drastically. With Covid-19 bringing in various changes in the behavior pattern of every individual, the way we consume food has also transformed considerably. Increasing awareness about the role of food in our daily life and its corresponding impact on our health has compelled people to re-think about the healthy habits and opting for organic food as compared to conventional food. With various options available for the people to pick from, organic food has often occupied a prime spot when it comes to consuming safe nutritious and healthy food.

Today awareness of food security and nutrition is at its peak. Responses need to be well coordinated across the country and beyond, to limit impacts, end the pandemic, and prevent its recurrence.

Recently, the management of the company announced the disinvestment in the subsidiary of the company (i.e.:- White Organic Retail limited - WORL). The retail division (WORL) of the company is a capital intensive business and lot of funds would have been required for the further expansion of the retail business. The subsidiary company has performed well in past few years in retail segment and now is the right time to grasp the opportunity to disinvest in the subsidiary and focus on the core activities of the company.

The Company has entered into a Share Purchase Agreement (SPA) with M/s. Suumaya Retail Limited, a wholly owned subsidiary of Suumaya Industries Limited ("Acquirer" and "PAC", respectively), to sell and transfer the entire equity shareholding held by the Company in White Organic Retail Limited, subject to approval of shareholders.

Post pandemic lead due to Covid-19 and disinvestment from the retail division the company will focus on catering the masses and aggressively expand its organic agro and related activities and wholesale trading for all kind of crops. The management believes that there is enormous opportunity in agriculture commodity trading and farming activity where the company has expertise and experience of many years. The management envisions focusing on the further expansion of the parent activity of the company and expanding it to next level. To explore many unidentified avenues in the agriculture commodity trading, expanding horizons, exploring research and development of seeds and different activities the company would need additional liquidity and the same shall be generated by disinvestment in the said subsidiary.

Moving ahead in the future, Organic Agro Practices and its food-related logistic services shall be considered as one of the most essential business in India. Increased efforts are needed to ensure that food value chains function well and promote the production and availability of diversified, safe and nutritious food for all. In doing this, it is necessary to give maximum importance to increasing the immunity of the society at large.

### **Farming and Cultivation :**

The Board of directors are committed for advocating organic farming including real or perceived advantages in sustainability, openness, self-sufficiency, independence, health, food security, and food safety, although the match between perception and reality is continually challenged.

The management of the company is determined to focus hard on negotiations and tie-ups with Farmers / Land owners for strategic investment for Organic Farming. The management is in advanced negotiation process for strategic acquisition / lease farming and different pacts across India beginning with western sector of Maharashtra.

With enhanced liquidity farming and cultivation would be the core focus of the company for next years and focusing on organizing organic certification to the farms owned by farmers and cultivated by White Organics. Organic certification for each land is an investment for a farmer, however the company would help them get their farms certified and sign buy out lease pacts with them.

### **Distribution, Wholesale and Exports :**

The management believes Buying organically grown food and healthy powders, free of harmful chemicals, bursting with more nutrition, taste, and sustainable sustenance is a direct vote for immediate health and the hopeful future of generations to come. Commercially it is very much viable business and biggest consumer market of the World is India.

The management is in the process of setting up of warehousing support system for the agriculture commodities distribution network across tier 2 cities. The logistically convenient warehousing support which can also be used as procurement hub from the remote areas. With the financial support the management would chalk out a road map for setting up warehousing and distribution facility across Mumbai and Pune to begin with. We are actively participating in our mission to create a sustainable environment of bringing health, happiness and True Wellness to our customers. Owing to these launches, the retail segment in a broader scope and gives us the edge of retailing and distribution everything under one roof. There is tremendous demand for the all these products in domestic and international markets.

The company has already setup the supply chain for exporting freshly harvested fruits and vegetables to middle east countries. The management is determined to get the required certification for the same and very soon would be starting the exports of fruits and vegetables on daily basis.

## **Future Developments FY 21-22:**

- Company plans to signed leased pacts for farming and cultivation of various vegetables and fruits in Maharashtra and Gujarat and increased acreage for cultivation of for summer season.
- The company signed exclusivity with many farmers adopting organic farming practices based in Otur, Nashik, Pune for proper and timely sourcing of the products and setting up the helping the distribution channel for the same.
- Company expects exponential growth in into indirect farming business in the northern states of India in business of basmati rice. The Company shall increase the capacity in New Delhi, from which it carries on the basmati rice business.
- The company has already starts its own in-house facility at Survey No. 4456, Kolmatha, Otur, Taluka – Junnar, Dist : Pune. The facility includes the following :
  - Procurement division : Helping us source from local farmers in and around Junnar, alephata and Otur, epicenter of vegetable and fruits farming in western Maharashtra
  - The company plans to install the following :
    - Ripening Section
    - Packaging Unit
    - Cold storage facility
- Sets up technology for Geographical Indication tagging on Veggies and Fruits in Maharashtra, India.

*The Managing Director of the company Mr. Darshak Rupani says “This is our major step towards the enormous scope of Organic Agro activities, with this strategic disinvestment in the subsidiary, we will be focused on organic farming, cultivation, wholesale and exports in the agricultural activities (viz :- Cultivation, Farming, Harvesting etc.) Our aspiration is to nurture our nation organically. Since the general public is becoming more and more aware nowadays about the benefits of Organic Farming over traditional farming, thus this is the time for corporates to grow into the cultivation and farming of organic food so as to benefit the society as well as farmers to become self-sufficient in their requirements for agro-inputs and reduce the farming costs*

*We thank our valued Investors and Customers for continuous support to this evolving situation. We all share the common goal of keeping everyone healthy and safe.”*

**Note:** *Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*