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RED HERRING PROSPECTUS

Dated: October 25, 2023

(Please read section 26 and 32 of the Companies Act, 2013)

100% Book Built Issue



BABA FOOD PROCESSING (INDIA) LIMITED

Corporate Identification Number: U15311JH2015PLC002849

REGISTERED OFFICE	TELEPHONE, EMAIL AND FACSIMILE	CONTACT PERSON	WEBSITE
6 th Floor, Home Decor Building, Opposite Durga Mandir, Ratu Road, Ranchi G.P.O., Ranchi – 834 001, Jharkhand, India	Telephone: +91 915 519 2834; E-mail: cs@babafood.in Facsimile: N.A.	Ashana Vij Company Secretary & Compliance Officer	www.babafood.in

PROMOTER OF OUR COMPANY: YOGESH KUMAR SAHU

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Upto [●] Equity Shares aggregating Up to ₹ 3,300.00 lakhs	Nil	Upto [●] Equity Shares aggregating Up to ₹ 3,300.00 lakhs	This issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. (The post Issue paid-up equity share capital of our Company exceeds ₹1,000 Lakhs but does not exceed ₹2,500 Lakhs)

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THIS IS A FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Issue Price as determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under “Basis for Issue Price” on page 98 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor 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 this 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 issued 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 Red Herring Prospectus. Specific attention of the investors is invited of the section titled “Risk Factors” beginning on Page No. 27 of this Red Herring Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE”) 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 October 20, 2023 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

BOOK RUNNING LEAD MANAGER

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

REGISTRAR TO THE ISSUE

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 <p>MAS Services Limited</p>	<p>N C Pal</p>	<p>Telephone: +91 112 638 7281/83, 4132 0335; E-mail: info@masserv.com</p>

BID/ ISSUE PERIOD	
BID/ISSUE OPENS ON: Friday, November 3, 2023	BID/ISSUE CLOSES ON: Tuesday, November 7, 2023**^

***Our Company may in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations*

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.



BABA FOOD PROCESSING (INDIA) LIMITED

Our Company was incorporated on April 22, 2015, as 'Baba Food Processing (India) Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, Jharkhand at Ranchi. Subsequently, pursuant to a resolution passed by the Shareholders in an Extra-Ordinary General Meeting held on May 27, 2023, our Company was converted from a private limited company to a public limited company and a fresh certificate of incorporation dated July 20, 2023 was issued by the Registrar of Companies, Jharkhand at Ranchi. Consequent to the conversion of our Company, the name of our Company was changed to 'Baba Food Processing (India) Limited'. For details relating to change in the Registered Office of our Company, please refer to "History and Certain Corporate Matters" on page 150.

Registered Office: 6th Floor, Home Decor Building, Opposite Durga Mandir, Ratu Road, Ranchi G.P.O., Ranchi – 834 001, Jharkhand, India; **Telephone:** +91 915 519 2834; **E-mail:** cs@babafood.in; **Facsimile:** N.A;

Website: www.babafood.in; **Contact Person:** Ashana Vij, Company Secretary & Compliance Officer;

Corporate Identity Number: U15311JH2015PLC002849

PROMOTERS OF OUR COMPANY: YOGESH KUMAR SAHU

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF BABA FOOD PROCESSING (INDIA) LIMITED (THE "COMPANY" OR "BABA FOOD" OR "ISSUER") AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ 3,300.00 LAKHS ("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL ENGLISH EDITION OF BUSINESS STANDARD (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL HINDI EDITIONS OF BUSINESS STANDARD (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND RANCHI EDITION OF RANCHI EXPRESS (A WIDELY CIRCULATED HINDI NEWSPAPER, HINDI BEING THE REGIONAL LANGUAGE OF JHARKHAND WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank as applicable.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229(2) of the SEBI ICDR Regulations of the SEBI ICDR Regulations, wherein not more than 2% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 29% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 69% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "Issue Procedure" on page 250 of this Red Herring Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account 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 250 of this Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on Page No. 250 of this Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the Issuer, there has been no formal market for the securities of the Issuer. The face value of the equity shares is Rs. 10/-. The issue price/floor price/price band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the Issuer nor 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 this 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 issued 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 Red Herring Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on Page No. 27 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE") 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 October 20, 2023 from NSE for using its name in this offer document for listing our shares on NSE. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

BOOK RUNNING LEAD MANAGER

REGISTRAR TO THE ISSUE



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

MAS Services Limited
 T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi -110 020, Delhi, India;
Telephone: +91 112 638 7281/83, 4132 0335;
Facsimile: +91 112 638 7384
Email ID: info@masserv.com
Website: www.masserv.com
Investor grievance: investor@masserv.com
Contact Person: N C Pal
SEBI Registration: INR 000000049

ISSUE PROGRAMME

BID/ISSUE OPENS ON: Friday, November 3, 2023

BID/ISSUE CLOSES ON^:** Tuesday, November 7, 2023

**Our Company may in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations
 ^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the same 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 and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Red Herring 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.

GENERAL AND COMPANY RELATED TERMS

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer”, or “Baba Food”	Baba Food Processing (India) Limited, a company incorporated under the Companies Act, 2013, having its registered office at 6 th Floor, Home Decor Building, Opposite Durga Mandir, Ratu Road, Ranchi G.P.O., Ranchi – 834 001, Jharkhand, India.
Our Promoter	Yogesh Kumar Sahu
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “ <i>Our Promoter and Promoter’s Group</i> ”.

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “ <i>Our Management - Committees of our Board</i> ” on page 161 of this Red Herring Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, Sumit Mohit & Company, Chartered Accountants.
Bankers to the Company	Axis Bank Limited
Board of Directors / Board/BOD	The Board of Directors of the Company unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U15311JH2015PLC002849
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Rajesh Agrawal.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Ashana Vij.
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
ED	Executive Director
Group Companies	Companies with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0QW501012
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “ <i>Our Management – Key Managerial Personnel</i> ” on page 164 of this Red Herring Prospectus.
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material

Term	Description
	litigation, adopted by our Board on July 24, 2023 in accordance with the requirements of the SEBI ICDR Regulations.
MD	The Managing Director of our Company
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “ <i>Our Management - Committees of our Board</i> ” on page 161 of this Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
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	6 th Floor, Home Decor Building, Opposite Durga Mandir, Ratu Road, Ranchi G.P.O., Ranchi – 834 001, Jharkhand, India.
Restated Financial Information/ Restated Consolidated Financial Information/ Restated Financial Statements/ Restated Consolidated Financial Statements	The Restated Financial Information of our Company, which comprises the Restated Consolidated Statement of assets and liabilities, the Restated Consolidated Statement of profit and loss, the Restated Consolidated Statement of cash flows for the three months period ended June 30, 2023 and the Financial Years ended on March 31, 2023, 2022, 2021 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.
ROC / Registrar of Companies	Registrar of Companies, Jharkhand at Ranchi, having its office at Mangal Tower, 4 th Floor, Old Hazaribagh Road, Near Kanta Toli Chowk, Ranchi – 834 001, Jharkhand, India.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management - Committees of our Board</i> ” on page 161 of this Red Herring Prospectus.
Subsidiary	Panchakanya Foods Private Limited, the wholly owned subsidiary of our Company.
WTD	Whole-Time Director of our company

ISSUE RELATED TERMS

Terms	Description
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
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been issued
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Bid	A Bid made by ASBA Bidder
Bankers to the Issue	Banker to the Issue, Public Issue Bank, Refund Bank and Sponsor Bank, being Axis Bank Limited.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled “ <i>Basis of allotment</i> ” under chapter titled “ <i>Issue Procedure</i> ” starting from page no. 270 of this Red Herring Prospectus.

Terms	Description
Bid	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Period	<p>The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.</p> <p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.</p>
Bid/Issue Closing Date	<p>The date after which the Designated Intermediaries will not accept any Bids, being Tuesday, November 7, 2023, which shall be published in English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express (a widely circulated Hindi daily newspaper, Hindi being the regional language of Jharkhand, where our Registered Office is located).</p> <p>Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Member, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations.</p>
Bid/Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Bids, being Friday, November 3, 2023, which shall be published in English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express (a widely circulated Hindi daily newspaper, Hindi being the regional language of Jharkhand, where our Registered Office is located).
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bidding Centers	Centers 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 Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.

Terms	Description
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Horizon Management Private Limited , SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Cut-Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut off Price. QIBs and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, and occupation and Bank Account details.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”)
DP ID	Depository Participant’s Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated September 18, 2023 filed with NSE Emerge in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue 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.
Escrow Account	Accounts opened with the Banker to the Issue

Terms	Description
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fresh Issue	The Fresh Issue of Upto [●] Equity Shares aggregating up to ₹ 3,300.00 Lakhs.
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 circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, Notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Offering
Issue Agreement	Agreement dated September 10, 2023, entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Closing	Our Issue shall close on Tuesday, November 7, 2023.
Issue document	Includes the Draft Red Herring Prospectus, this Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Issue Opening	Our Issue shall open on Friday, November 3, 2023.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
Issue Price	The price at which the Equity Shares are being issued by our Company through this Red Herring Prospectus, being ₹ [●] /- (including share premium of ₹ [●] /- per Equity Share).
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 83 of this Red Herring Prospectus.
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offering/ IPO	The initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ 3,300.00 lakhs.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE.
Market Maker	The Market Maker to the Issue, in this case being Nikunj Stock Brokers Limited.
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated October 25, 2023 between our Company, Book Running Lead Manager and Market Maker.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue excluding the Market Maker Reservation Portion of [●] Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net Proceeds	The proceeds from the Fresh Issue less the Issue related expenses applicable to the Fresh Issue.

Terms	Description
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 29% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price or through such other method of allocation as may be introduced under applicable law
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express (a widely circulated Hindi daily newspaper, Hindi being the regional language of Jharkhand, where our Registered Office is located), at least two working days prior to the Bid / Issue Opening Date.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account Agreement	Agreement dated October 25, 2023 entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Public Issue Account	Account to be opened with the Banker to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Issue Account Bank	The bank with whom the Public Issue Account shall be opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Qualified Institutional Portion	The portion of the Issue being not more than 2% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion
Red Herring Prospectus / RHP	The Red Herring Prospectus dated October 25, 2023 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Refund Account	Account to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/ Sub-Syndicate Members) who hold valid membership of either NSE or National Stock Exchange of India Limited having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on https://www.nseindia.com/

Terms	Description
Registrar / Registrar to the Issue/ RTA	Registrar to the Issue being MAS Services Limited .
Registrar Agreement	The registrar agreement dated September 10, 2023, entered into 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.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual Investors / (RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹. 2,00,000.
Retail Portions	Portion of the Issue being not less than 69% 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	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmlId=35
SME Platform of NSE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Sub Syndicate Member/ Members of the Syndicate	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Member, being the BRLM, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated October 25, 2023 entered into amongst our Company and the BRLM, in relation to the collection of Bids in this Issue
Syndicate Member / Member of the Syndicate	The BRLM shall be acting as the Syndicate Member in relation to this Issue.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The BRLM and the Market Maker shall be acting as underwriters to this Issue.
Underwriting Agreement	The Agreement dated October 25, 2023 entered into between the Underwriter and our Company
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circular	Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such

Terms	Description
	Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Wilful Defaulter and Fraudulent Borrower	A wilful defaulter(s) and fraudulent borrower(s) as defined under SEBI ICDR Regulations.
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on NSE, working day means all trading days of NSE, excluding Sundays and bank holidays, as per circulars issued by SEBI

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee
“Consolidated FDI Policy” or “FDI Policy”	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020
“Financial Year” or “Fiscal Year” or “FY”	Period of 12 months ending March 31 of that particular year
“OCBs” 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 had taken benefits under the general permission granted to OCBs under FEMA
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAGR	Compounded Annual Growth Rate
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
CS	Company Secretary
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996

Term	Description
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECB	External Commercial Borrowings
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI
ECS	Electronic Clearing System
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
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
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
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
FIR	First information report
FPIs	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
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	The 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
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
Mn / mn	Million
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
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
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure

Term	Description
	not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NR	Non-resident or person(s) resident outside India, as defined under the FE
NRE	Non- residential external
NRE Account	Non- residential external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- resident ordinary
NRO Account	Non-resident ordinary account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
OCI	Overseas Citizen of India
ODI	Off-shore Derivate Instruments
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R&D	Research and Development
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SAT	Securities Appellate Tribunal
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, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a state in India
State Government	The Government of a State of India
Stock Exchange	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
TDS	Tax Deducted at Source
Trademarks Act	Trademarks Act, 1999, as amended
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
VAT	Value Added Tax

Term	Description
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, 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

Term	Description
Covid-19	Coronavirus Disease
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IMF	International Monetary Fund
U.S.	United States of America
US\$	United States Dollar

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 278, 105, 107, 143, 172, 220 and 250 respectively of this Red Herring 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 Red Herring 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 Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on Page No. 172 of this Red Herring Prospectus.

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

The Restated Financial Information of our Company, which comprises the Restated Consolidated Statement of assets and liabilities, the Restated Consolidated Statement of profit and loss, the Restated Consolidated Statement of cash flows for the three months period ended June 30, 2023 and the Financial Years ended on March 31, 2023, 2022, 2021 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 Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on Page Nos. 27, 121 and 210 respectively, of this Red Herring Prospectus, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Red Herring 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 Page Nos. 27, 107 and 121 respectively, this Red Herring 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 Red Herring Prospectus in “lakhs” units or in whole numbers where the numbers have been too small to represent in lakhs. One lac represents 1,00,000 and one million represents 10,00,000.

Exchange rates

This Red Herring 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, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	82.04	82.22	75.91	73.53

(Source: www.rbi.org.in and www.fbi.org.in)

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Red Herring 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. The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which 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 No. 98 of this Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM 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 No. 27 of this Red Herring Prospectus.

FORWARD - LOOKING STATEMENTS

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

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

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

- We cannot assure you that the manufacturing unit proposed to be set up by our Subsidiary, Panchakanya Foods Private Limited, will become operational as scheduled, or at all, or operate as efficiently as planned. If we are unable to commission our new manufacturing unit in a timely manner or without cost overruns, it may adversely affect our business, results of operations and financial condition;
- As on date we have not obtained any of the approvals, clearances and permissions as may be required from the relevant authorities for the proposed manufacturing units. In the event we are unable to obtain such approvals and permits, our business, results of operations, cash flows and financial condition could be adversely affected;
- The allotment of land to our Subsidiary for setting up the proposed manufacturing unit is subject to compliance with certain terms and conditions. Failure to comply with such conditions could adversely affect our business and financial condition;
- All of our experience in respect of our business operations is limited to Jharkhand, Odisha and West Bengal. Further, our Company has limited experience of manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*). Hence, we have limited exposure in operating outside the aforementioned states and manufacturing products outside of our existing product portfolio, which may make it difficult to evaluate our past performance and prospects with respect to the same;
- We cannot assure that we shall be able to utilize our proposed manufacturing units to their full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition;
- There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution;
- Our Company and our Subsidiary is yet to place orders for 100% of the plant and machinery for the proposed manufacturing units. Further the costs of the machinery proposed to be installed in the proposed manufacturing units, have been quoted in US Dollar, and therefore are exposed to risk of fluctuation of foreign exchange rate. 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;
- We depend on our dealers, wholesalers and retailers for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key intermediaries may adversely affect our business and results of operations;
- We do not have long term agreements with suppliers for our raw materials and an increase in the cost of or a shortfall in the availability of such raw materials could have an adverse effect on our business, results of operations and financial condition; and
- There have been instances of delays of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to RoC.

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 Page Nos. 27, 121 and 210, respectively, of this Red Herring 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 on the date of this Red Herring 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 Book Running Lead Manager 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.

SECTION II - ISSUE 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 Red Herring Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoter and Promoter Group*”, “*Financial Information*”, “*Objects of the Issue*”, “*Our Business*”, “*Issue Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” beginning on Page Nos. 27, 107, 220, 166, 172, 83, 121, 250 and 278 respectively of this Red Herring Prospectus.

1. Summary of Industry in which the Company is operating

Food and grocery market in India is the sixth-largest in the world. Food processing industry contributes 32% to this food market and is also one of the largest industries in the country, contributing 13% to total export and six% of industrial investment. The fast-moving consumer goods (“**FMCG**”) sector is India’s fourth-largest sector and has been expanding at a healthy rate over the years as a result of rising disposable income, a rising youth population, and rising brand awareness among consumers. India is a country that no FMCG player can afford to ignore due to its middle-class population which is larger than the total population of the USA. The Indian FMCG market continues to rise as more people start to move up the economic ladder and the benefits of economic progress become accessible to the general public. This has been further aided by government initiatives to increase financial inclusion and establish social safety nets.

For further details, please refer to the chapter titled “*Industry Overview*” beginning on Page No. 107 of this Red Herring Prospectus.

2. Summary of Business

Our Company is engaged in the business of manufacturing high fibre Whole Wheat Atta (*Wheat Flour*), Refined Flour (*Maida*), Tandoori Atta, Semolina flour (*Sooji*) in our refined flour division. We also commercialise the by-product and waste material, *i.e.*, wheat bran and other waste materials generated during our manufacturing process as cattle feed and fish feed, which makes our manufacturing unit a zero waste and zero discharge manufacturing unit. Our manufacturing unit is equipped with ultra-modern highly automated Buhler’s Swiss Technology PesaMill for manufacturing of stoneless high fibre atta and also an ultra-modern highly automated Buhler’s Swiss Technology Roller Flour Mill with installed capacity of 200 Tons per day. We also market and sell Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) under our brand ‘*Panchakanya*’, however we procure these product from third party manufacturers. We market and sell our products under the brands, “*Panchakanya*” and “*Bhajan*”.

For further details, please refer to chapter titled “*Our Business*” beginning on Page No. 121 of this Red Herring Prospectus.

3. Promoter

The Promoter of our Company is **Yogesh Kumar Sahu**. For further details, please refer to the chapter titled “*Our Promoter and Promoter Group*” beginning on Page No. 166 of this Red Herring Prospectus.

4. Details of the Issue

Our Company is proposing the public issue of upto [●] equity shares of face value of ₹ 10/- each of Baba Food Processing (India) Limited (“**Baba Food**” or 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 up to ₹ 3,300.00 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.

The price band will be decided by our company in consultation with the book running lead manager (“**BRLM**”) and will be advertised in all editions of English editions of Business Standard (a widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express (a widely circulated Hindi daily newspaper, Hindi being the regional language of Jharkhand, where our Registered Office is located), each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the Emerge platform of National Stock Exchange of India Limited (“**NSE Emerge**”, referred to as the “**Stock Exchange**”) for the purpose of uploading on their website for further details kindly refer to chapter titled “*Terms of the issue*” beginning on page 240 of this Red Herring Prospectus.

5. Objects of the Issue

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

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses	[●]
Net Proceeds of the Issue	[●]

6. Utilization of Net Issue Proceeds

(₹ in lakhs)

Sr. No.	Particulars	Estimated amount
1.	Investment in PFPL for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill	Up to 2,029.88
2.	Funding purchase of machinery for manufacturing Chickpea Flour (Besan) and Roasted Gram Flour (Sattu) in our existing manufacturing unit in Ranchi	Up to 365.70
3.	Funding working capital requirements of our Company	Up to 250.00
4.	Prepayment or repayment of all or a portion of certain outstanding unsecured borrowings availed by our Company	Up to 200.00
5.	General corporate purposes*	[●]

*The amount to be utilized 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 No. 83 of this Red Herring Prospectus.

7. Aggregate Pre Issue Shareholding of Promoters and Promoter Group

Following are the details of the pre-Issue shareholding of Promoters:

S. No.	Particulars	No. of Equity Shares	As a % of Pre-Issue Capital	No. of Equity Shares	As a % of Post Issue Capital
Promoter					
1.	Yogesh Kumar Sahu	1,09,21,250	91.01	1,09,21,250	[●]
Promoter Group					
2.	Binita Sahu	4,98,738	4.16	4,98,738	[●]
3.	Yogesh Kumar Sahu HUF	5,80,000	4.83	5,80,000	[●]
Total – A		1,19,99,988	99.99	1,19,99,988	[●]

For further details, please refer to the chapter titled “Capital Structure” beginning on Page No. 74 of this Red Herring Prospectus

8. Summary of Financial Information

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

(₹ in lakhs)

S. No.	Particulars	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	1,200.00	480.00	480.00	480.00
2.	Net Worth	2,692.36	2,499.97	1,996.53	1,648.95
3.	Revenue from operations	4,134.63	18,953.95	9,711.10	10,655.10
4.	Profit after Tax	192.29	503.44	201.26	198.14
5.	Earnings per Share	1.60	4.20	4.19	4.13
6.	Net Asset Value per equity share	22.44	20.83*	41.59	34.35
7.	Total borrowings	3,250.94	3,266.54	2,766.60	2,325.45

* Adjusted for Bonus Shares

For further details, please refer to the section titled “Financial Information” beginning on Page No. 172 of this Red Herring Prospectus.

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

The Restated Financial Information do not contain any qualifications by the Statutory Auditors.

10. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company, our Directors, our Subsidiary and our Promoter 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	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

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 Promoter

i) Cases filed against our Promoter:

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 Promoter:

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

d) Litigations involving our Subsidiary

i) Cases filed against our Subsidiary:

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

ii) *Cases filed by our Subsidiary:*

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

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page No. 220 of this Red Herring Prospectus.

11. Risk Factors

Please refer to the section titled “*Risk Factors*” beginning on Page No. 27 of this Red Herring Prospectus.

12. Summary of Contingent Liabilities

As per the Restated Financial Information as at and for the three months period ended June 30, 2023 and as at and for the Financial Years ended on March 31, 2023, March 31, 2022 and March 31, 2021, following are the details of the contingent liabilities of our Company which have been recognized and reported in the Restated Financial Information:

Particulars	(Amount in Lakhs, figures in INR)			
	30-Jun-2023	March 31, 2023	March 31, 2022	March 31, 2021
Export Obligation against Import of Machinery under EPCG	82.29	82.29	82.29	82.29
For the above Export Obligation Guarantees provided by bank	22.96	22.96	22.96	22.96
Total Contingent Liabilities	105.25	105.25	105.25	105.25

For further details, please refer to the chapter titled “*Restated Financial Statements*” beginning on Page No. 172 of this Red Herring Prospectus.

13. Summary of Related Party Transactions

As per the Restated Financial Information as at and for the three months period ended June 30, 2023 and as at and for the Financial Years ended on March 31, 2023, 2022 and 2021, following are the details of the related party transactions of our Company:

(₹ in lakhs)

Particulars	For the period ended 30 June 2023	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Remuneration:				
Mrs Binita Sahu	6.00	36.00	32.10	-
Mr Yogesh Kumar Sahu	3.00	12.00	12.00	69.00
Mrs Rakhi Sahu	-	-	14.10	-
Mrs Ekta Sahu	-	-	22.90	24.00
Mr Rajesh Agrawal	9.00			
Rent Paid:				
Mr. Yogesh Kumar Sahu	0.77	3.06	2.98	3.06
Interest Paid:				
Baba Agro Food Ltd	11.70	46.80	16.94	-
Land Purchase:				
Gyan Prakash Sahu	10.00	-	-	-
Sales:				
Baba Agro Food Ltd	-	236.66	-	-
Purchase:				
Panchakanya Foods Pvt Ltd	6.49	-	-	-
Royal Ville Nutri Food Pvt Ltd	10.23	-	-	-

Particulars	For the period ended 30 June 2023	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
YKS Warehousing & Logistics Pvt Ltd.	5.95	-	-	-
Loan Taken:				
Baba Agro Food Ltd.	-	-	-	-
Mr. Yogesh Kumar Sahu	110.30	-	-	-
Mrs. Binita Sahu	10.00	-	-	-

Balances Outstanding at the end of the Year

(₹ in lakhs)

Nature of transaction	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Inter corporate deposit taken	638.82	627.12	600.25	-
Trade Payables (Advance Received)	441.09	441.09	-	-
Borrowings from directors	120.30	-	228.00	-

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which the relationship existed. Related party relationships as given above are as identified by the Company and relied upon by the auditors.

For further details, kindly refer “Restated Financial Information – Annexure V: Note 27 – Related Party Transactions” from the chapter titled “Restated Financial Information” on Page No. 193 of this Red Herring Prospectus.

14. Financials Arrangements

There are no financing arrangements whereby the Promoter, 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 this Red Herring Prospectus.

15. Weighted Average Price of the Equity Shares acquired by our Promoter in the last one year preceding the date of this Red Herring Prospectus

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

Name of Promoter	No. of shares acquired in last one year from the date of this Red Herring Prospectus	Weighted Average Price (in ₹)
Yogesh Kumar Sahu	65,52,750*	NIL

* Acquired as Bonus Shares

16. Average Cost of Acquisition of Equity Shares for Promoters

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

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)
Yogesh Kumar Sahu	1,09,21,250	1.00

17. 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

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

Except as stated below, our Company has not issued shares for consideration other than cash during last one year:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which Bonus Shares Issued
May 29, 2023	72,00,003	10	N.A.	Bonus issue in the ratio of 3:2 Equity Shares authorised by our Board, pursuant to a resolution passed at its meeting held on May 27, 2023, and by	-	Bonus Issued out of General Reserves

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which Bonus Shares Issued
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our Shareholders pursuant to a resolution passed at the EGM held on May 28, 2023. ⁽¹⁾

Bonus Issue in the ratio of 3:2 Equity Shares of a total of 72,00,003 Equity Shares to Yogesh Kumar Sahu (65,52,750 Equity Shares), Binita Sahu (2,99,243 Equity Shares), Yogesh Kumar Sahu HUF (3,48,000 Equity Shares), Rajesh Agrawal (02 Equity Shares), Bhagwati Prasad Agrawal (02 Equity Shares), Ashish Khemka (02 Equity Shares), Pankaj Kumar Agrawal (02 Equity Shares) and Preeti Agrawal (02 Equity Shares).

19. 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 Red Herring Prospectus.

20. 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 III – RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring 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 107, 121 and 210 of this Red Herring 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 Red Herring 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 19 of this Red Herring 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 Red Herring 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 Baba Food Processing (India) Limited.

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

INTERNAL RISK FACTORS

BUSINESS RELATED RISKS

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

Our Company is engaged in the business of manufacturing high fibre Whole Wheat Atta (Wheat Flour), Refined Flour (Maida), Tandoori Atta and Semolina flour (Sooji). The manufacturing unit of our Company is situated at Village Nagri, P.S. Thana No. 122, Khata No. 03, Plot No. 2278, Nagri, Ranchi District – 835 303, Jharkhand, India. As of date of this Red Herring Prospectus, our Company markets and sells its products in Jharkhand, Odisha and West Bengal. Our Company is proposing to expand its business operations in India by investing in its wholly owned Subsidiary, Panchakanya Foods Private Limited, for the purpose of setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna and expand its market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region and Odisha and Jharkhand. Our expansion plan may be subject to delays and other risks, among other things, unforeseen engineering or technical problems, disputes with workers, force majeure events, unanticipated cost increases or changes in scope and delays in obtaining certain property rights and government approvals and consents. Additionally, we may face risks in commissioning the proposed unit including but not limited to, delays in the construction of our proposed manufacturing unit, problems with its facilities or for other reasons, our proposed manufacturing unit does not function as efficiently as intended, or utilisation of the proposed unit is not optimal, we may not be able to take additional orders to produce anticipated or desired revenue as planned any of which could result in delays, cost overruns or the termination of the project.

In the event of any delay in the schedule of implementation or if we are unable to complete the project as per the scheduled time, it could lead to revenue loss. Part of our proposed project is funded by a term loan of upto ₹ 3,800 lakhs which shall be availed from Axis Bank Limited (the “Bank”). The Bank vide a sanction letter dated September 15, 2023, has sanctioned our Subsidiary a term loan of ₹ 3,800 lakhs for funding a part of the project cost to be incurred for the purpose of setting up the proposed manufacturing unit. If our proposed project is not commissioned at the scheduled time, our Company and our Subsidiary may face cash crunch to repay the interest obligations. While we may seek to minimize the risks from any unanticipated events, it cannot be assured that all potential delays could be mitigated and that we will be able to prevent any cost over-runs and any loss of profits resulting from such delays, shortfalls and disruptions. Furthermore, while our Company has a longstanding market experience in the agro-commodity and milling business, however our Subsidiary has been incorporated on April 5, 2023 and therefore it does not have the requisite experience to address the risks related to the manufacturing of the proposed products. Due to the limited operational history of our Subsidiary, we cannot assure the commercial success of the products manufactured through the proposed manufacturing unit. As a result our business, financial condition, results of operations and prospects could be materially and adversely affected. For further details, please refer to the chapter titled — “Objects of the Issue - Investment in our wholly owned Subsidiary, Panchakanya Foods Private Limited (“PFPL”) for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill” on page 86 of this Red Herring Prospectus.

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

Our Company is engaged in the business of manufacturing high fibre Whole Wheat Atta (Wheat Flour), Refined Flour (Maida), Tandoori Atta and Semolina flour (Sooji). The manufacturing unit of our Company is situated at Village Nagri, P.S. Thana No. 122, Khata No. 03, Plot No. 2278, Nagri, Ranchi District – 835 303, Jharkhand, India. As of date of this Red Herring Prospectus, our Company markets and sells in products in Jharkhand, Odisha and West Bengal. Our Company is proposing to expand its business operations in India by investing in its wholly owned Subsidiary, Panchakanya Foods Private Limited, for the purpose of setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna and expand its market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region and Odisha and Jharkhand.

Further, while we market and sell Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) under our brand ‘Panchakanya’, however we procure these product from third party manufacturers. We propose to utilise a portion of the Net Proceeds of this Issue, towards purchase of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted

Gram Flour (*Sattu*) in our existing manufacturing unit. For further details, please refer to the chapter titled — “*Objects of the Issue - Funding purchase of machinery for manufacturing Chickpea Flour (Besan) and Roasted Gram Flour (Sattu) in our existing manufacturing unit in Ranchi*” on page 91 of this Red Herring Prospectus.

We have not applied for the required licenses and approvals for setting up of our new manufacturing unit and increase in capacity of our existing manufacturing unit. For instance, in relation to installation of plant and machinery in our existing manufacturing unit, for manufacturing Chickpea Flour (Besan) and Roasted Gram Flour (*Sattu*) our Company will apply for a renewed and revised (i) Industrial Entrepreneurs Memorandum; (ii) consent to operate; (iii) license required under the Central Goods And Services Tax Act, 2017; (iv) license to work a factory under Section 6(1) of the Factories Act, 1948; and (v) license under Food Safety and Standards Act, 2006 for updating the capacity of our existing manufacturing unit and the products manufactured by us. The above approvals shall be applied for prior to import of plant and machinery. For further details, please refer to “*Government and Other Approvals*” on page 226. We shall be applying for such approvals prior to commencement of commercial production in the said manufacturing units. We cannot assure you that we will be able to receive the approvals for the said land in a timely manner. If we are not able to receive the required approvals at all or if there is a delay in receiving the same, all other operations, which are to be undertaken for the completion of the manufacturing units might also be delayed. This may cause the actual cost of construction to exceed the budgeted amounts due to a variety of factors such as construction delays, cost escalation of raw material, interest rates, labour costs, foreign exchange rates, regulatory and environmental factors, weather conditions and our financing needs. The quotations for plant and machinery and civil works received by us from various suppliers might expire and we may be compelled to purchase the same at a higher cost. Our financial condition, results of operations and liquidity would be materially and adversely affected if our project or construction costs materially exceed such budgeted amounts. For further details, please refer to chapters titled — “*Objects of the Issue*” and “*Government and other Approvals*” on pages 83 and 226, respectively of this Red Herring Prospectus.

3. *The allotment of land to our Subsidiary for setting up the proposed manufacturing unit is subject to compliance with certain terms and conditions. Failure to comply with such conditions could adversely affect our business and financial condition.*

Our Subsidiary has been allotted a plot of land admeasuring 217800 sqft. bearing numbers E[P-I(a)], E[P-I(b)], E[P-I(c)], E[P-I(d)], E[P-I(e)] in Industrial Area, Sikandrapur of Bihta cluster, Patna District, Bihar by Bihar Industrial Area Development Authority (“**BIADA**”) on a leasehold basis for a period of ninety (90) years. The allotment has been made *vide* a letter of allotment dated August 11, 2023 read with the letter dated September 14, 2023 issued by BIADA and the execution of the lease deed and completion of the allotment of land to our Subsidiary is subject to compliance of the terms and conditions mentioned in the letter of allotment. For instance, as per the letter of allotment, occurrence of any of the following events could lead to cancellation of allotment, (i) non-adherence to the allotment conditions prescribed under Section 6(2)(a) of the BIADA Act, 1974; (ii) non-adherence of the schedule of activity and the time frame provided in the letter of allotment; (iii) If the proposed manufacturing does not resume to full commercial production as per Land Allotment Policy 2022 guidelines; (iv) failure to pay dues, rent, charges within time; (v) change in the shareholding of our Subsidiary without approval of BIADA; (vi) subletting or sub-leasing of the plot except the cases where and to the extent of subletting or subleasing, permitted by BIADA, *etc.* Further, in accordance with the letter of allotment our Subsidiary has to make the payment towards the land lease levy in ten instalments spread over a period of five years. While, our Subsidiary has received a loan to finance the payment of such lease levy, however any delay or failure to pay the said amount of time could lead to cancellation of the allotment of the land. We cannot assure you that the aforementioned events will not occur in the future or that on the occurrence of the aforementioned events, the allotment of the aforementioned land will continue to be valid. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected. For further details, please refer to the chapter titled — “*Objects of the Issue - Investment in PFPL for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill*” on page 86 of this Red Herring Prospectus.

4. *All of our experience in respect of our business operations is limited to Jharkhand, Odisha and West Bengal. Further, our Company has limited experience of manufacturing Chickpea Flour (Besan) and Roasted Gram Flour (Sattu). Hence, we have limited exposure in operating outside the aforementioned states and manufacturing products outside of our existing product portfolio, which may make it difficult to evaluate our past performance and prospects with respect to the same.*

As of date of this Red Herring Prospectus, our Company markets and sells in products in Jharkhand, Odisha and West Bengal. Our Company is proposing to expand its business operations in India by investing in its wholly owned Subsidiary, Panchakanya Foods Private Limited, for the purpose of setting up an ultra-modern highly automated roller

flour mill and chakki whole wheat atta mill in Patna and expand its market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region and Odisha and Jharkhand. While, our Company has a longstanding market presence in Jharkhand, Odisha and West Bengal, however the experience that we have gained from our existing operations may not be fully relevant or applicable to our operations in other states of India and hence we may face limitations to geographical growth of business. We face additional risks if we undertake operations in other geographic areas in which we do not possess the same level of experience.

Further, while we market and sell Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) under our brand '*Panchakanya*', however we procure these product from third party manufacturers. We propose to utilise a portion of the Net Proceeds of this Issue, towards purchase of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing manufacturing unit. Given our limited operating history in manufacturing the said products, we may not succeed in addressing certain risks pertaining to such products in an early stage of growth, including our ability to acquire and retain customers/intermediaries or maintain adequate control of our costs and expenses. Entering into new markets may pose challenges to our management, administrative, financial and operational resources. If we are unsuccessful in addressing business risks in time or at all, our business may be materially and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company. Further, our limited operating history may not provide a meaningful basis for evaluating our business, financial performance, prospects or results of operations, or to make a decision about an investment in our Equity Shares. For further details, please refer to the chapter titled — "*Objects of the Issue*" on page 83 of this Red Herring Prospectus.

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

A portion of the Net Proceeds is proposed to be utilised towards setting up of a manufacturing unit by our Subsidiary for the purpose of manufacturing whole wheat chakki atta and refined flour. We cannot assure that we shall be able to utilize our proposed manufacturing unit to their full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition. There cannot be any assurance that the proposed capacity would be utilized to its full extent.

- 6. 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 approximately ₹ 2,029.88 lakhs of the Net Proceeds towards making investments in our Subsidiary, for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill. Further, we intend to use approximately ₹ 365.70 lakhs of the Net Proceeds towards purchase of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing manufacturing unit. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its inter se allocation across various heads under the setting up of the proposed manufacturing unit, as disclosed in the section titled "*Objects of the Issue*" on page 83. 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.

7. ***Our Company and our Subsidiary is yet to place orders for 100% of the plant and machinery. Further the costs of certain machinery proposed to be installed in the proposed and existing manufacturing units, have been quoted in US Dollars and Euro, and therefore are exposed to risk of fluctuation of foreign exchange rate. 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 and our Subsidiary has received third party quotations for the plant and machinery required to be installed in the proposed and existing manufacturing unit, for details please refer to the chapter titled “Objects of the Issue” on page 83 of this Red Herring Prospectus. Although, we have identified the type of plant and machinery to be purchased for the proposed and existing manufacturing unit, we are yet to place order for 100% of the plant and machinery. The cost of certain machinery is based on the quotations in which the cost of machinery has been quoted in US Dollars and Euro by the suppliers and therefore, the same is exposed to the risk of fluctuation of foreign exchange rate. 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.

8. ***We depend on our dealers, wholesalers and retailers for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key intermediaries may adversely affect our business and results of operations.***

Our Company has entered into formal agreements with certain of our dealers to market and sell our products on payment of a pre-decided commission, thereby making us highly dependent on them for a significant portion of our revenue. Further, we operate on a purchase order basis with our wholesalers and retailers. The intermediaries forming part of our distribution network help us in marketing and selling our products domestically. Our dealers, wholesalers and retailers account for a substantial portion of our sales, and consequently our revenue, and we expect that such key intermediaries will continue to represent a substantial portion of our revenue from sale of products in the foreseeable future. The revenue earned from the sale of our products, including by-products through dealers, wholesalers and retailers under our key brands ‘Panchakanya’ and ‘Bhajan’ during the three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

Particulars	Three month period ended June 30, 2023		Fiscal					
			2023		2022		2021	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
Dealers	804.39	19.45%	3,524.66	18.60%	2,205.79	22.71%	2,553.62	23.97%
Wholesalers	971.61	23.50%	4,580.77	24.17%	2,695.66	27.76%	2,847.25	26.72%
Retailers	1,573.00	38.04%	6,260.29	33.03%	3,442.96	35.45%	4,444.49	41.71%

In the event, we are unable to retain our intermediaries or if our intermediaries continue to decrease, we may have to associate with new intermediaries, on terms and prices which may not be acceptable to us. Further, we cannot assure you that the new intermediaries appointed would be reliable and contribute to our revenues in the same manner as our current intermediaries. On the occurrence of any of the aforementioned events, our business and results of operations could be adversely affected.

While, we have entered into formal agreements with certain of our dealers, we cannot assure you that either of the parties will not terminate such agreement or breach any covenant of such agreements. Periodically we may have to discontinue business with the dealers, for reasons including delay in payments and inability to meet the expected sales targets, among others. Our ability to terminate our arrangements with certain dealers may be limited by the terms of

our agreements with them. We may need to litigate the dealers or litigations may be filed against us for any breach or termination of the contract, such litigation could be time consuming and costly and the outcome cannot be guaranteed. Further, the term of the contracts entered by our Company for distribution of our products range are for five years, which are renewable at the end of the term, for additional periods, on terms mutually agreed between the parties, on expiry of such contracts, our Company or the dealers may not renew the contracts. While the aforementioned events have occurred in the past, however, such occurrence have not materially affected our financial condition, results of operations and prospects. We cannot assure you that occurrence of any future termination and associated events, would not materially affect our financial condition, results of operations and prospects.

We cannot assure you that we will be able to continue to renew the arrangements with these third parties on terms that are commercially acceptable to us, or at all. We cannot assure you that such third parties shall fulfil their obligations under such agreements entirely, or at all, shall not breach certain terms of their arrangements with us, including with respect to payment obligations or quality standards, or shall not choose to terminate their arrangements with our Company. Since, we do not deal with the end users of our products, such conflicts and non-renewal of such contracts may lead to depletion of our distribution network thereby adversely affecting our sales and consequently our business and results of operations.

Further, we have not entered into any formal agreements, arrangement or any other understanding with our wholesalers and retailers, therefore, our business is dependent upon the continuous relationship with such intermediaries. Further, neither do we have any exclusive retailers and wholesalers nor have we entered into any agreements with such intermediaries. Accordingly, our wholesalers and retailers are not bound to provide us sales and distribution services. Further, our intermediaries could also start working with our competitors and due to lack of formal agreements, we shall not be able to legally prosecute any of our intermediaries. The occurrence of any of the above events could adversely affect our business, revenues, cash flows and operations.

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

Production quantity and cost of our products are dependent on our ability to source raw materials and packaging materials at acceptable prices, and maintain a stable and sufficient supply of our major raw materials. Wheat is the key raw material used to manufacture all of our products. We procure wheat grain from Bihar, Uttar Pradesh, Madhya Pradesh and Rajasthan from traders and institutional suppliers. There can be no assurance that we will be able to procure all of our future raw material requirements at commercially viable prices. We are bound by the orders and directives issued by the Food Corporation of India (“FCI”), the government's nodal agency for procurement and distribution of wheat. In order to control the prices of food grains including wheat, FCI and other governmental nodal agencies prescribe guidelines for procurement of wheat which include limits to which wheat can be stocked by us or our suppliers. Therefore, the price at which we procure wheat from our suppliers are susceptible to fluctuation on account of regulation by FCI and other governmental authorities.

Furthermore, in the event that our suppliers are unable to supply wheat to us on time or discontinue their supply to us or if we are unable to source quality raw material from other suppliers at competitive prices, we may not be able to meet our production and sales targets. Interruption of, or a shortage in the supply of, raw material may result in our inability to operate our production facilities at optimal capacities or at all, leading to a decline in production and sales. An inability to procure sufficient quality raw material at reasonable cost, or an inability to pass on any additional cost incurred on purchase of raw materials to our customers/ intermediaries, may adversely affect our operations and financial conditions.

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

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

S. No.	Name of ROC Form	Due date	Date of filing	Delay
1	Form MGT-14 for IPO approval	September 13, 2023	September 15, 2023	2 days
2	Form AOC-4 (XBRL) for FY 2022-23	August 2, 2023	September 08, 2023	37 days
3	Form AOC-4 (XBRL) for FY 2021-22	October 29, 2022	November 02, 2022	4 days
4	Form AOC-4 (XBRL) for FY 2020-21	December 30, 2021	February 16, 2022	48 days

S. No.	Name of ROC Form	Due date	Date of filing	Delay
5	Form DIR-12 for change in designation of Mrs. Binita Sahu	December 30, 2021	March 23, 2022	83 days
6	ADT-1 for appointment of auditors	January 15, 2021	March 24, 2022	433 days
7	Form AOC-4 (XBRL) for FY 2019-20	January 30, 2021	July 21, 2021	173 days
8	Form MGT-7 for FY 2018-19	November 29, 2019	December 13, 2019	14 days
9	Form DIR-12 for appointment of director, Mr. Manish Kumar Sahu	June 30, 2018	September 19, 2018	81 days
10	Form CHG-1 for modification of charge	September 7, 2018	September 18, 2018	11 days
11	Form MGT-7 for FY 2017-18	November 29, 2018	December 25, 2018	26 days
12	ADT-1 for appointment of auditors	October 15, 2016	October 27, 2016	12 days
13	Form MGT-14 for issue of shares	May 18, 2016	September 2, 2023	2663 days
14	Form MGT-14 for Issue of shares	October 15, 2015	August 30, 2023	2876 days
15	Form MGT-14 for Issue of shares	November 4, 2015	September 4, 2023	2861 days

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.

11. *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.

12. *One of our objects of the Issue is to invest in Panchakanya Foods Private Limited, our Subsidiary, for the purpose of setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna. The investment of the Net Proceeds in our Subsidiary will not result in creation of any tangible assets for our Company.*

In our pursuit to tap growth opportunities and enhance our geographic presence, our Company is proposing to expand its business operations in India by investing in its wholly owned Subsidiary, Panchakanya Foods Private Limited, for the purpose of setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna and expand its market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region and Odisha and Jharkhand. For details, see “*Objects of the Issue – Investment in PFPL for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill*” on page 86. The deployment of the Net Proceeds towards investment in our Subsidiary will lead to an indirect growth of our business through our Subsidiary and in turn will not result in creation of a tangible asset for our Company. Our Company also has not identified the manner of investment which shall be made in our Subsidiary and therefore we shall not be able to disclose the mode of investment which shall be made in our Subsidiary at this stage. Although, the modes of undertaking expenditure towards the proposed object has been identified, the outcome of the same is highly dependent upon the customer sentiment, acceptance and competitiveness of our products, ability to hire and retain skilled and technical staff and the effectiveness of our growth strategy to penetrate new markets. Therefore, the outcome of the proposed expenditure is not ascertainable or quantifiable at this stage. For details, see “*Objects of the Issue*” at page 83.

13. *A portion of the Net Proceeds will be utilized by our Company for part- repayment or prepayment of unsecured loans availed by it from our Group Company, Baba Agro Food Limited.*

One of the Objects of this Issue is prepayment or repayment of all or a portion of certain outstanding unsecured borrowings availed by our Company from its Group Company, Baba Agro Food Limited, amounting to ₹ 200 lakhs. As on August 31, 2023, we have outstanding unsecured loans aggregating to ₹ 638.82 lakhs from our Group Company. Out of the Issue proceeds, we intend to utilize ₹ 200 lakhs for part repayment or pre-payment of all or a portion of certain unsecured loans availed by our Company from our Group Company. For further details, please see the chapter titled “Objects of the Issue - Prepayment or repayment of all or a portion of certain outstanding unsecured borrowings availed by our Company” beginning on page 94 of this Red Herring Prospectus.

14. 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 applied for a shops and establishment license and for renewal of the license issued by Agricultural and Processed Food Products Export Development Authority, however, we cannot assure you that such licenses will be granted or renewed in time or at all. 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 226 of this Red Herring Prospectus.

15. The novel coronavirus (Covid-19) pandemic outbreak and steps taken to control the same had significantly impacted our business, results of operations, financial condition and cash flows and further impact will depend on future developments, which are highly uncertain.

The rapid and diffused spread of COVID-19 and global health concerns relating to this outbreak have had a severe negative impact on all businesses including the food, agro-commodity and hospitality industry. Due to COVID-19 pandemic and the consequent lockdown announced by the Central Government and various State Governments, the offices and manufacturing units of our customers, namely, FMCG companies, food processing companies, retailers and distributors were either shut or were not actively functional or were running at reduced capacity. Further, the customers of our customers, including but not limited to hotels, restaurants, Dhaba, street food vendors, etc., were also shut down or were not able to undertake business properly due to travel restrictions. Owing to the above, our sales and production were directly impacted. Due to reduction of demand of our products, the production capacity of our unit was significantly reduced. Approximately 25-30% sales and production was impacted during the lockdown which resulted into decrease in overall capacity utilisation. The details of the quantitative impact on the business operations of our Company during the COVID -19 pandemic has been provided below:

(₹ in lakhs)

Particulars	FY20	FY21	FY22	FY23
Capacity	72,000	72,000	72,000	72,000
Production	49,111	43,973	41,844	56,127
Capacity Utilized(in %)	68.21%	61.07%	58.12%	77.95%
Sales Revenue	12,262.03	10,655.10	9,711.10	18,953.95
EBITDA	648.72	572.15	533.48	1,107.52
PBT	279.58	309.48	281.17	697.84
PAT	199.54	198.14	201.26	503.44
EBITDA (in %)	5.29%	5.37%	5.49%	5.84%
PBT(in %)	2.28%	2.90%	2.90%	3.68%
PAT(in %)	1.63%	1.86%	2.07%	2.66%

(₹ in lakhs)

Particulars	Comparison to Pre-Covid Level FY20		After comparison to Pre-Covid Level FY20
	FY21	FY22	FY23
Capacity Utilization Increased / (Decreased)	(7.14)%	(10.09)%	9.74%
Sales Increased / (Decreased)	(13.10)%	(23.94)%	35.31%
EBITDA Increased / (Decreased)	(11.80)%	(20.14)%	41.43%
Lock down	61 day	72 days	

Currently, the outbreak is under control, however spread of any other variants of this virus could cause unprecedented economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Further, with the onset of fourth wave of Coronavirus and the surge in new and deadly variants of the Virus, if another lockdown is imposed in the country and further restrictions are imposed by the government, we may face huge losses and our business operations could be severely impacted. Any such restrictions could cause delays in the completion of our orders and commitments made to clients, or cause damage to the goods in transit. Any of these consequences may result in loss of business and/or claims for compensation from our clients, which may have an adverse effect on our results of operations and financial condition. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated by us. We will continue to closely monitor any material changes arising of future economic conditions and impact on our business. However, in future any of the foregoing effects could have a material adverse effect on our business, results of operations, cash flows and financial condition.

- 16. 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:

Statutory Dues	Details of Financial Year	Period Of delay	Days of Delays	Payment Dates	Reason for delay	Steps taken to address such delays
GST	FY 2017-18	August'2017	1 day	21/09/17	1st year of GST implementation, issues in compliances due to frequent changes, reconciliations, compliances from all ends etc	Frequently consultation with experts to remain updated with GST laws, chasing suppliers for missing Form 2A and endeavouring to file in time.
GST	FY 2017-18	January'2018	2 days	22/02/18		
GST	FY 2017-18	February'2018	27 days	17/04/18		
GST	FY_2017-18	March'2018	1 day	21/04/18		
GST	FY_2018-19	April'2018	4 days	23/05/18	Input Credit Reconciliation	Reconciliation now done monthly before due date
GST	FY_2018-19	June'2018	1 days	21/07/18	Technical Issues	-
GST	FY_2018-19	August '2018	8 days	28/09/18	Delay due to 2A reconciliation and capital goods claim reconciliation	Reconciliation now done monthly before due date
GST	FY_2018-19	February'2019	3 days	26/03/19	Technical Issues	-

Statutory Dues	Details of Financial Year	Period Of delay	Days of Delays	Payment Dates	Reason for delay	Steps taken to address such delays
GST	FY_2019-20	April'2019	1 day	21/05/19	Technical Issues	-
GST	FY_2019-20	May'2019	1 day	21/06/19	Technical Issues	-
GST	FY_2019-20	September'2019	2 Days	22/10/19	Technical Issues	-
GST	FY_2019-20	October'2019	1 day	21/11/19	Technical Issues	-
GST	FY_2020-21	June'2020	1 day	21/07/20	Technical Issues	-
GST	FY_2020-21	September'2020	2 days	22/10/20	Technical Issues	-
GST	FY_2021-22	May'2021	1 day	21/06/21	Technical Issues	-
GST	FY_2021-22	June'2021	1 day	21/07/21	Technical Issues	-
GST	FY_2021-22	November'2021	3 days	23/12/21	Technical Issues	-
GST	FY_2022-23	August'2022	1 day	21/09/22	Technical Issues	-
GST	FY_2022-23	September'2022	1 day	21/10/22	Technical Issues	-
GST	FY_2022-23	February'2023	1 day	21/03/23	Technical Issues	-

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

17. 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 Ranchi, Jharkhand. 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.

18. Our business and prospects may be adversely affected if we are unable to maintain and grow the image of our brands. Further, our brand 'Panchakanya' and the package design of our product 'Panchakanya Gold', 'Panchakanya Krishna' and 'Panchakanya Sharbati' is assigned and registered, respectively, in the name of our Promoter Group member, Manish Kumar Sahu. We have executed a deed of assignment with our promoter group

member to record the terms of usage of the said trademarks and have filed an application with the Trade Mark Registry for registration of the said trade marks in the name of our Company. In the event, we are unable to protect our intellectual property rights or brand names, it could have a material impact on our goodwill, business operations, financial condition and results of operations.

Our Company has created a brand presence with our brands, namely, ‘Panchakanya’ and ‘Bhajan’. We sell our products under our brands, which we believe are well recognized, have been developed to cater to customers and have contributed to the success of our business in the market for excipients. We believe our brand’s image serve in attracting customers to our products in preference over those of our competitors. Maintaining and enhancing the recognition and reputation of these brands is critical to our business and competitiveness. Many factors, some of which are beyond our control, are important for maintaining and enhancing our brands, including maintaining or improving customer satisfaction and the popularity of our products and increasing brand awareness through brand building initiatives. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products, or the quality of our products declines, our business and prospects may be adversely affected.

Furthermore, while, our brand ‘Bhajan’ is registered under the name of our Company, however our brand ‘Panchakanya’ and the package design of our product ‘Panchakanya Gold’, ‘Panchakanya Krishna’ and ‘Panchakanya Sharbati’ are not registered under the name of our Company. The brand ‘Panchakanya’ is registered under the name of Nutrilite Agro Products Private Limited, who has further assigned the said trademark to our Promoter Group member, Manish Kumar Sahu. Further the package design of our product ‘Panchakanya Gold’, ‘Panchakanya Krishna’ and ‘Panchakanya Sharbati’ are registered under the name of our Promoter Group member, Manish Kumar Sahu. Our Company has executed a deed of assignment dated September 18, 2023 (which was executed on September 19, 2023) with Manish Kumar Sahu, wherein trademarks and copyrights in relation to ‘Panchakanya’ have been assigned to our Company by Manish Kumar Sahu (the “Assignor” and the “Deed of Assignment”). The Assignor has assigned to our Company the trademarks and copyrights, in lieu of a one-time consideration of a sum of ₹ 3.00 lakhs. The said consideration has been paid by our Company to the Assignor on September 18, 2023. Pursuant to the payment of the said consideration, all rights, titles and interests associated with the said registered trademarks and copyrights and in respect of the goods sold under the mark along with the goodwill were assigned to our Company. Our Company has made an application dated October 5, 2023 before the Trade Mark registry for registering the said marks in the name of our Company. For further details, please see the chapter titled “Government and Other Approvals - Intellectual Property Related Approvals” on page 227 of the RHP. Additionally, we cannot assure that we will continue to be able to fully protect our intellectual property in the best possible manner for marketing our products. As a result our business, financial condition, results of operations and prospects could be materially and adversely affected.

19. 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 wheat analysis tests on the raw materials and finished products to ensure that our products are compliant with the specifications provided by our customers/ intermediaries in case of institutions 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. In order to ensure delivery of utmost quality products to our customers/ intermediaries, our Company on a periodic basis, engages FSSAI approved laboratories to carry out quality checks on its finished products, on a sample basis. 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/ intermediaries 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/ intermediaries due to quality complaints, we might be compelled to take back the sub-standard products and reimburse the cost paid by our customers/ intermediaries. Such quality lapses could strain our longstanding

relationship with our customers/ intermediaries and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition. Our customers/ intermediaries 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/ intermediaries 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.

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

Our ability to expand and grow our sales significantly depends on the reach and effective management of our distribution network and the continued cooperation of third parties such as dealers, wholesalers or retailers, etc. We cannot assure you that we will continue to be able to effectively manage our distribution network and maintain good relationships with such third parties. Certain distribution intermediaries may have exclusivity arrangements with our competitors and may be unable to, or decline to, stock and distribute our products, which in turn may limit our ability to expand our distribution network.

In view of the growing demand of our products and to expand our geographic reach, our Subsidiary is proposing to set up an ultra modern highly automated roller flour mill and chakki whole wheat atta mill in Patna. Further, our Company proposes to utilise a portion of the Net Proceeds of this Issue, towards purchase of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing manufacturing unit. We intend to capture our existing intermediaries as well as create a distribution network in new markets to market our existing and new products proposed to be manufactured by our Company. Our inability to strategically expand our distribution network may lead to revenue loss and impede the full utilisation of our production capacity. Due to our limited experience in the markets in which we propose to venture, we may face difficulties in creating and maintaining a distribution network, identifying our competitors or keeping up with the expectation and the requirement of the intermediaries and end use customers. While the aforementioned events have not materially occurred in the past, future occurrence of any of these events could affect our financial condition, results of operations and prospects. We cannot assure you that we will be able to expand our sale and distribution network in accordance with our business plans, or at all, which may adversely affect our business, results of operations and financial condition.

21. *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 intermediaries. Our financial position and financial performance are dependent on the creditworthiness of our intermediaries. As per our business network model, we majorly supply our products directly to our intermediaries 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 intermediaries will be received in a timely manner or to that extent will be received at all. If an intermediary 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'/ intermediaries' 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.

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

Our business requires a significant amount of working capital. As per our settled business terms, we majorly require our intermediaries to pay the full amount of the consideration only after they receive the order, as a result, significant amounts of our working capital are often required to finance the purchase of raw material and execution of manufacturing processes before payment is received from our customers/ intermediaries. Further, we are also required to meet the increasing demand and for achieving the same, adequate stocks have to be maintained which requires sufficient working capital. In the event, we are unable to source the required amount of working capital for addressing

such increased demand of our products, we might not be able to efficiently satisfy the demand of our customers/ intermediaries. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our products.

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 - Funding working capital requirements of our Company*” on page 92. 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/ intermediaries, 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 intermediaries may increase our working capital requirement. Further, if an intermediary defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we incurred pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. In general, we take provisions for bad debts, including those arising from such defaults based primarily on ageing and other factors such as special circumstances relating to special customers/ intermediaries. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have large cash outflows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims.

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

23. *Our Company proposes to utilize part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain unsecured borrowings availed by our Company and accordingly, the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.*

Our Company intends to utilise a part of the Net Proceeds for repayment or pre-payment, in full or in part, of all or certain unsecured borrowings availed by our Company. The details of the loans identified to be repaid or prepaid using the Net Proceeds have been disclosed in the section titled “*Objects of the Issue - Prepayment or repayment of all or a portion of certain outstanding unsecured borrowings availed by our Company*” on page 94 of this Red Herring Prospectus. While we believe that utilization of Net Proceeds for repayment of unsecured loans would help us to reduce our cost of debt and enable the utilization of our funds for further investment in business growth and expansion, the pre-payment of loans will not result in the creation of any tangible assets for our Company.

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

We are dependent on information technology system in connection with carrying out our business activities and such systems form an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers/ intermediaries, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition and results of operations. Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, piracy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our business activities, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further

expenditure to put in place advanced security systems to prevent any unauthorised access to our networks. In the event, any breach of our systems or software leads to the leaking of our trade secrets or any inventive techniques devised by our Company, it might lead to loss of our originality in the market and increase the chance of our products being substituted by the products of our competitors.

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

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

Our Company intends to use approximately ₹ 2,029.88 lakhs of the Net Proceeds towards making investments in our Subsidiary, for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill. Further, we intend to use approximately ₹ 365.70 lakhs of the Net Proceeds towards purchase of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing manufacturing unit. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its inter se allocation across various heads under the setting up of the proposed manufacturing unit and purchase of machinery for our existing manufacturing unit, as disclosed in the section titled “*Objects of the Issue*” on page 83.

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 Red Herring 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 Red Herring 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 Red Herring 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 Promoter 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 Promoter to provide an exit opportunity to such dissenting shareholders may deter the Promoter 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 Promoter 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 Red Herring 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.

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. While, we maintain a fleet of vehicles for transportation of raw materials and finished products, however, we are also dependent on third party transportation providers for the delivery of raw materials to us and delivery of our products to our intermediaries. 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 distribution intermediaries 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, 2023, our Company has availed certain unsecured loans from our Group Company, Baba Agro Food Limited, our Promoter and Managing Director, Yogesh Kumar Sahu and our Non-Executive Director Binita Sahu. As of June 30, 2023, the total outstanding unsecured loans availed by our Company are ₹ 759.12 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 208 of this Red Herring Prospectus.

28. *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. Wheat is the key raw material used to manufacture all of our products. We procure wheat grain from Bihar, Uttar Pradesh, Madhya Pradesh and Rajasthan from traders and institutional suppliers. There can be no assurance that we will be able to procure all of our future raw material requirements at commercially viable prices. We are bound by the orders and directions issued by the Food Corporation of India (“**FCI**”), the government's nodal agency for procurement and distribution of wheat. In order to control the prices of food grains including wheat, FCI and other governmental nodal agencies prescribe guidelines for procurement of wheat which include limits to which wheat can be stocked by us or our suppliers. Therefore, the quantity of the inventory which can be stocked by us and the price at which we procure wheat from our suppliers are susceptible to fluctuation on account of regulation by FCI and other governmental authorities.

Further, 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.

29. *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. We are yet to make applications for registering our logo under the Trademarks Act, 1999. Furthermore, our brand ‘Panchakanya’ appearing in our logo is not registered under the name of our Company. The brand ‘Panchakanya’ is registered under the name of Nutrilite Agro Products Private Limited, who has further assigned the said trademark to our Promoter Group member, Manish Kumar Sahu. Our Company is in the process of executing a deed of assignment with Manish Kumar Sahu governing the terms of usage of the said brand name. If we are unable to get our logo registered with the trademark authorities then, our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future could have a material adverse effect on our business and goodwill, which in turn could adversely affect our results of operations. Further, if we are unable to execute a deed of assignment with Manish Kumar Sahu, we may not be able to freely use our brand and our promoter group member may initiate legal proceedings against us on account of passing off of the said brand name.

Further, there can be no assurance that third parties will not infringe upon our intellectual property, 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. For further details, please refer to the chapters titled “*Our Business*” and “*Government and other Statutory Approvals*” on pages 121 and 226, respectively of this Red Herring Prospectus.

30. *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.

31. *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 121 of this Red Herring Prospectus.

32. *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 agro-commodity industry 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 107 of this Red Herring Prospectus.

33. *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 our Promoter and Other Interests and Disclosures*” in the chapter titled — “*Our Promoter and Promoter Group*”, “*Financial Indebtedness*” and “*Restated Financial Information*” on pages 159, 166, 208 and 172, respectively of this Red Herring 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.

34. *Our Promoter 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 Promoter and members of our Promoter Group will collectively hold [●] % of the Equity share capital of our Company. As a result, our Promoter will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Accordingly, our Promoter 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 Promoter 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 Promoter could conflict with the interests of our other equity shareholders, and our Promoter could make decisions that materially and adversely affect your investment in the Equity Shares.

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

Our Promoter’s average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price which is proposed to be determined through book building mechanism. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapter titled “*Capital Structure*” on page 74 of this Red Herring Prospectus.

36. *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.

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

As of June 30, 2023, we have entered into several related party transactions with our Promoter, 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 172.

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.

38. *Our Promoter and members of our Promoter Group have extended personal guarantees and personal properties as collateral security with respect to various loan facilities availed by our Company. Revocation of any or all of these personal guarantees may adversely affect our business operations and financial condition.*

Our Promoter and our Non-Executive Director, Binita Sahu have extended certain personal guarantees in favour of certain banks / financial institutions with respect to various facilities availed by our Company from them. Further, our Promoter has extended his personal property, being a part of the manufacturing unit of our Company, as collateral security to secure the loan facilities availed by our Company. In the event any of these guarantees are revoked or if the personal property of our Promoter is 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 or our manufacturing unit is foreclosed, 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 208 of this Red Herring Prospectus.

39. *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 208 of this Red Herring 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.

40. *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 226.

41. 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, 2023 our Company’s total outstanding secured loans are ₹ 2,491.82 lakhs. 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 208 of this Red Herring Prospectus.

42. 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 83 of this Red Herring Prospectus.

43. 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 154 of this Red Herring Prospectus.

- 44. *Our Registered Office and a part of our manufacturing unit are located on premises which are not owned by us and has been obtained on lease basis. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our manufacturing operations and, consequently, our business, financial condition and results of operations.***

As on the date of this Red Herring Prospectus, our Registered Office and a part of our manufacturing unit is located on properties taken on lease basis from related parties and third parties. There can be no assurance that our Company will be able to successfully renew the said lease agreements in a timely manner or at all or on terms favourable to us. Further, there can be no assurance that we will not face any disruption of our rights as a lessee and that such lease agreements will not be terminated prematurely by the lessor. Any such non-renewal or early termination or any disruption of our rights as lessee will adversely affect our business, financial conditions and results of operations. For further details, see “*Our Business – Properties*” on page 141.

- 45. *Our Company has acquired immovable properties from our Promoter, Directors and their relatives in the past.***

Our Company has acquired a part of its manufacturing unit from Gyan Prakash Sahu, who is a member of our Promoter Group. Whilst, it is believed that all such transactions have been conducted on an arms length basis, there can be no assurance that our Company could not have achieved more favourable terms had such transactions not been entered into with related parties. For further details, kindly refer “*Restated Financial Information – Annexure V: Note 27 – Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 193 of this Red Herring Prospectus.

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

As on June 30, 2023, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Restated Financial Information, aggregated to ₹ 105.25 lakhs. The details of our contingent liabilities are as follows:

Particulars	(Amount in Lakhs, figures in INR)			
	30-Jun-2023	March 31, 2023	March 31, 2022	March 31, 2021
Export Obligation against Import of Machinery under EPCG	82.29	82.29	82.29	82.29
For the above Export Obligation Guarantees provided by bank	22.96	22.96	22.96	22.96
Total Contingent Liabilities	105.25	105.25	105.25	105.25

If any of these contingent liabilities materialize, our results of operations and financial condition may be adversely affected. For further details of our contingent liabilities, see the chapter titled “*Financial Statements*” beginning on page 172 of this Red Herring Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

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

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

Particulars	For the three months period ended June 30, 2023	For the year ended March 31,		
		2023	2022	2021
Net Cash from Operating Activities	(339.94)	39.85	(802.65)	858.42
Net Cash from Investing Activities	(21.48)	(221.31)	325.38	(8.39)
Net Cash used in Financing Activities	(15.50)	499.95	587.36	(858.55)

(₹ in lakhs)

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

48. *Our Subsidiary may have conflict of interest with us as it is engaged in similar business and may compete with us.*

Our Subsidiary, Panchakanya Foods Private Limited has been incorporated to engage in a similar line of business as that of our Company. In view of the same, there might be conflicts of interest in future. We have not entered into any non-compete agreements with our Subsidiary and there can be no assurance that our Subsidiary will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance.

49. *Any conflict of interest which may occur between our business and any other similar business activities pursued by our Promoter could have a material adverse effect on our business and results of operations.*

As of the date of this Red Herring Prospectus, our Promoter is a director on the board of directors of our Subsidiary which is engaged in the same business as that of our Company, thereby causing a conflict of interest between our Company and our Promoter. We have not entered into a non-compete arrangement with him to address such conflicts. We cannot assure you that a conflict will not arise, or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations.

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

We may face difficulties in implementing our strategies including our expansion and diversification plans of entering into new geographical areas and development and setting up of new manufacturing unit due to various factors such as entry barriers, stringent rules and regulations, fierce competition in the new markets, inadequacy of funds for expansion, high cost of debt that may be required for expansion and diversification. Implementation of our strategies may pose significant challenges to our administrative, financial and operational resources and additional risks that our Company may not be able to foresee. Failure to successfully implement some or all of our key strategic initiatives in an effective and timely manner may adversely affect our future business prospects. For further details on our business strategies, kindly see the chapter titled “*Our Business*” beginning on page 121 of this Red Herring Prospectus.

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

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information, kindly refer the chapter titled “*Financial Indebtedness*” beginning on page 208 of this Red Herring Prospectus.

52. *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. Our Board of Directors along with the Audit Committee will monitor the utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoter shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same.

53. *Relevant copies of educational qualifications and experience of our Promoter and Directors are not traceable.*

Relevant copies of the educational qualifications and experience of our Promoter and Directors are not traceable. The information included in the section are based on the affidavits obtained from the Promoter and Directors.

Consequently, we or the Book Running Lead Manager cannot assure you that such information in relation to the particular Promoter and Directors are true and correct and you should not place undue reliance on the experience and qualification of our management included in this Red Herring Prospectus.

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

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

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

We intend to use the proceeds of the Issue for the purposes described in the section titled “*Objects of the Issue*” on page 83. The objects of the Issue have not been appraised by any bank or financial institution. These are based on management estimates and current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of the industry, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

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

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as breakdown, malfunctions, sub-standard performance or failures of manufacturing equipment, fire, riots, third party liability claims, loss-in-transit for our products, accidents and natural disasters. Presently, our Company has availed burglary & house breaking insurance policy, two -wheeler package policy, digit private car stand-alone own damage policy, marine cargo open policy, digit commercial vehicle package policy-goods carrying vehicle, commercial goods carrying vehicle certificate of insurance cum policy schedule and GCV public carrier other than 3 wheeler -package policy to insure our manufacturing unit, stock in transit and the vehicles owned by us. 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.

57. *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 171 of this Red Herring Prospectus.

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

Our business and the industry in which we operate are vulnerable to the problem of pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. An increase in product losses due to such factors at our place of operation may require us to install additional security and surveillance equipment and incur additional expenses towards inventory management and handling. We cannot assure you whether these measures will successfully prevent such losses. Further, there are inherent risks in cash management as part of our operations, which include theft and robbery, employee fraud and the risks involved in transferring cash to banks. Additionally, in case

of losses due to theft, financial misappropriation, fire, breakage or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

59. *We have not independently verified certain data in this Red Herring Prospectus.*

We have not independently verified data from the industry and related data contained in this Red Herring 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.

60. *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.

61. *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.

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

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

- 63. *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.

- 64. *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.

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

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

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

- 66. *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.

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

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

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

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

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

68. *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 Promoter 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 Promoter 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 Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

Any instance of disinvestments of Equity Shares by our Promoter 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.

70. *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

71. 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.

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

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

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

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

73. *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.

74. *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.

75. *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.

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

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

77. *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, tsunamis, 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.

78. *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 IV - INTRODUCTION

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS	
Equity Shares Offered through Public Issue ⁽¹⁾⁽²⁾	Upto [●] Equity Shares aggregating up to ₹ 3,300.00 lakhs.
Out of which:	
Issue Reserved for the Market Maker	[●] Equity Shares aggregating up to ₹ [●] Lakhs.
Net Issue to the Public	Upto [●] Equity Shares aggregating up to ₹ [●] Lakhs.
Out of which*	
A. QIB Portion ⁽⁴⁾⁽⁵⁾	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs
Of which	
(a) Available for allocation to Mutual Funds only (5% of the QIB Portion)	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
B. Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
C. Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,20,00,003 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	Upto [●] Equity Shares of face value ₹10 each
Use of Net Proceeds by our Company	Please see the chapter titled “Objects of the Issue” on page 83 of this Red Herring Prospectus.

* Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price.

Notes:

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on July 24, 2023 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on August 14, 2023.
- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price.
- 4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 2% of the Net Issue to QIB and not less than 69% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 29% of the Net Issue shall be available for allocation to Non-institutional bidders.
- 5) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on page 247 and 250, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 240.

SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Consolidated Financial Information as at and for the three month period ended June 30, 2023 and as at and for the Financial Years ended March 31, 2023, 2022 and 2021. The Restated Financial Information referred to above is presented under the section titled “Financial Information” beginning on Page No. 172 of this Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Financial Information” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 172 and 210, respectively of this Red Herring Prospectus.

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Baba Food Processing (India) Limited
(Formerly known as Baba Food Processing (India) Private Limited)
Annexure - I
Summary Statement of Consolidated Restated Assets And Liabilities

(Amount Rs. in Lakhs, unless mention otherwise)

Particular's	Note No. of Annexure V	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I. Equity and Liabilities					
Shareholders' Funds					
(a) Share Capital	3	1,200.00	480.00	480.00	480.00
(b) Reserves and Surplus	4	1,492.26	2,019.97	1,516.53	1,168.95
(c) Non Controlling Interest		0.10	-	-	-
		2,692.36	2,499.97	1,996.53	1,648.95
Non - current liabilities					
(a) Deferred tax liabilities	5	211.41	204.65	196.94	172.58
(b) Long-term loans	6	1,301.87	1,169.59	1,237.35	1,246.91
		1,513.27	1,374.24	1,434.29	1,419.49
Current Liabilities					
(a) Short-Term loans	7	1,949.07	2,096.96	1,529.25	1,078.54
(b) Trade Payables	8	658.20	620.26	351.83	353.27
(c) Other Current Liabilities	9	116.35	104.12	108.47	32.39
(d) Short Term Provisions	10	51.07	115.99	47.43	51.31
		2,774.69	2,937.33	2,036.98	1,515.51
Total		6,980.33	6,811.53	5,467.80	4,583.94
II. Assets					
Non Current Assets					
(a) Property, plants and equipments	11	2,222.59	2,206.01	2,008.13	2,102.10
(b) Long term Investments	12	261.78	301.25	441.14	788.67
(c) Other current assets	13	0.19	26.28	96.73	104.41
		2,484.56	2,533.54	2,546.00	2,995.18
Current Assets					
(a) Inventories	14	3,463.23	2,447.25	1,688.03	511
(b) Trade receivables	15	830.58	1,194.15	966.13	993.61
(c) Cash And Cash Equivalents	16	61.03	437.96	119.46	9.37
(d) Other Current Assets	17	140.94	198.64	148.19	75.11
		4,495.77	4,278.00	2,921.80	1,588.77
Total		6,980.33	6,811.54	5,467.80	4,583.95

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure V and Adjustments to Audited Financial Statements appearing in Annexure IV and Reconciliation of restated Equity/ Networth appearing in Annexure V (Note 3 & 4).

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

For Sumit Mohit & Company

Chartered Accountants

Firm Reg. No.: 021502N

For and on behalf of the Board of Directors

Baba Food Processing (India) Limited

CA. Sumit Garg

Partner

Membership No. 506945

Place: Delhi

Date: 8-Sep-2023

Yogesh Kumar Sahu

Director

DIN: 02139226

Place: Ranchi

Rajesh Agrawal

Director

DIN: 06448058

Baba Food Processing (India) Limited
(Formerly known as Baba Food Processing (India) Private Limited)

Annexure - II

Summary Statement of Consolidated Restated Profit & Loss

(Amount Rs. in Lakhs, unless mention otherwise)

Particular's	Note No. of Annexure V	For the period from April 1, 2023 June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Income					
I. Revenue from operation	18	4,134.63	18,953.95	9,711.10	10,655.10
Other Income	19	4.12	10.22	45.20	114.45
II. Total Revenue		4,138.75	18,964.17	9,756.30	10,769.55
III. Expenses					
Cost of material consumed	20	3,386.96	15,665.16	8,059.79	8,767.48
Change in inventories	21	(76.26)	102.69	(199.71)	(34.78)
Purchase		32.44	324.38	73.84	133.16
Employee Benefits Expense	22	119.97	421.89	298.74	310.77
Finance costs	23	60.31	246.36	136.20	124.09
Depreciation & amortisation	24	44.18	163.32	116.12	138.58
Other expenses	25	294.74	1,342.53	990.16	1,020.76
Total Expenses		3,862.34	18,266.32	9,475.13	10,460.07
IV. Profit before exceptional and extraordinary items and tax (II-III)		276.41	697.84	281.17	309.48
V. Exceptional items		-	-	-	-
VI. Profit before extraordinary items and tax (IV - V)		276.41	697.84	281.17	309.48
VII. Extraordinary Items		-	-	-	-
VIII Profit before tax (VI- VII)		276.41	697.84	281.17	309.48
IX. Tax expense:					
(1) Current tax		77.36	186.43	55.12	29.08
(2) Tax expense / (credit) relating to prior years (net)		-	0.26	0.42	-
(3) Deferred tax		6.76	7.71	24.37	82.26
		84.12	194.40	79.91	111.34
X Profit for the period / year (VIII-IX)		192.29	503.44	201.26	198.14
XV Restated Earnings per equity share:					
(1) Basic (Rs.)	26	1.60	4.20	4.19	4.13
(2) Diluted (Rs.)		1.60	4.20	4.19	4.13
Face value per Equity Share (Rs.)		10.00	10.00	10.00	10.00

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure V and Adjustments to Audited Financial Statements appearing in Annexure IV and Reconciliation of restated Equity/ Networth appearing in Annexure V (Note 3 & 4).

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

For Sumit Mohit & Company

Chartered Accountants

Firm Reg. No.: 021502N

For and on behalf of the Board of Directors

Baba Food Processing (India) Limited

CA. Sumit Garg

Partner

Membership No. 506945

Place: Delhi

Date: 8-Sep-2023

Yogesh Kumar Sahu

Director

DIN: 02139226

Place: Ranchi

Rajesh

Agrawal

Director

DIN:

06448058

Baba Food Processing (India) Limited
(Formerly known as Baba Food Processing (India) Private Limited)

Annexure - III

(Amount Rs. in
Lakhs, unless
mention
otherwise)

Summary Statement of Consolidated Restated Cash Flow Statement

Particulars	For the period from April 1, 2023 June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
A Cash flow from operating activities :				
Net Profit before tax	276.41	697.84	281.17	309.48
Adjustments for :				
Depreciation and amortisation	44.18	163.32	116.12	138.58
Change in Working Capital:	320.59	861.16	397.28	448.06
Adjustments for increase (decrease) in operating assets:				
Inventories	(1,015.98)	(759.22)	(1,177.35)	145.03
Trade Receivables	363.57	(228.01)	27.48	98.51
Other Current Assets	57.70	(50.45)	(73.08)	16.36
Adjustments for increase (decrease) in operating liabilities:				
Trade Payables	37.93	268.43	(1.44)	227.61
Other liabilities	12.24	(4.36)	53.54	(30.48)
Cash generated from operations	(223.95)	87.55	(773.57)	905.09
Direct taxes (paid)/refund	(115.99)	(47.70)	(29.08)	(46.67)
Net cash generated from/(used in) operating activities	(339.94)	39.85	(802.65)	858.42
B Cash flow from investing activities :				
Capital expenditure on fixed assets, including capital advances	(60.76)	(361.20)	(22.14)	(3.14)
Investment	39.47	139.89	347.52	(5.25)
Miscellaneous Expenditure	(0.20)			
Net cash generated from/ (used in) investing activities	(21.48)	(221.31)	325.38	(8.39)
C Cash flow from financing activities				
Proceeds from long-term borrowings	132.29	(67.76)	(9.56)	(1,436.43)
Short Term Loans	(147.89)	567.71	450.71	577.88
Subsidy Received	-	-	146.21	-
Non Controlling Interest	0.10			
	(15.50)	499.95	587.36	(858.55)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(376.92)	318.49	110.09	(8.52)
D Cash and cash equivalents at the beginning of the period / year	437.96	119.46	9.37	17.89
E Cash and cash equivalents at the close of the period / year (D + E)	61.03	437.96	119.46	9.37
Notes:				
Cash and cash equivalents as at the close of the Year include:				
Cash In Hand	48.38	4.03	10.77	6.82
Balances with Scheduled Banks:				
- in current accounts	12.65	433.93	108.69	2.55

Cash and Cash Equivalents at the end of the period / year	61.03	437.96	119.46	9.37
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- 1 The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Accounting Standard (AS)-3 'Cash Flow Statements' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
- 2 The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure V and Adjustments to Audited Financial Statements appearing in Annexure IV and Reconciliation of restated Equity/ Networth appearing in Annexure V (Note 3 & 4).
- 3 This is the Restated Consolidated Statement of Cash Flows referred to in our report of even date.

For Sumit Mohit & Company

Chartered Accountants
Firm Reg. No.: 021502N

For and on behalf of the Board of
Directors

Baba Food Processing (India) Limited

CA. Sumit Garg

Partner
Membership No. 506945
Place: Delhi
Date: 8-Sep-2023

Yogesh Kumar Sahu
Director
DIN: 02139226
Place: Ranchi

Rajesh Agrawal
Director
DIN: 06448058

GENERAL INFORMATION

Our Company was incorporated on April 22, 2015, as ‘Baba Food Processing (India) Private Limited’, a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, Jharkhand at Ranchi. Subsequently, pursuant to a resolution passed by the Shareholders in an Extra-Ordinary General Meeting held on May 27, 2023, our Company was converted from a private limited company to a public limited company and a fresh certificate of incorporation dated July 20, 2023 was issued by the Registrar of Companies, Jharkhand at Ranchi. Consequent to the conversion of our Company, the name of our Company was changed to ‘Baba Food Processing (India) Limited’. The corporate identification number of our Company is U15311JH2015PLC002849.

For details in relation to the change in Registered Office of our Company, please refer to the chapter titled, “History and Certain Corporate Matters” on page 150.

Registered Office of our Company

Baba Food Processing (India) Limited

6th Floor, Home Decor Building,
Opposite Durga Mandir, Ratu Road,
Ranchi G.P.O., Ranchi – 834 001,
Jharkhand, India.

Telephone: +91 915 519 2834

E-mail: cs@babafood.in

Investor grievance id: investors@babafood.in

Website: www.babafood.in

CIN: U15311JH2015PLC002849

Corporate Office of our Company

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

Registrar of Companies

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

Registrar of Companies, Jharkhand at Ranchi

Mangal Tower, 4th Floor, Old Hazaribagh Road,
Near Kanta Toli Chowk, Ranchi – 834 001,
Jharkhand, India.

Board of Directors of our Company

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

S. No.	Name	Designation	DIN	Address
1.	Yogesh Kumar Sahu	Managing Director	02139226	Krishna Apartment, Flat Number 201, Near Akashwani, Ratu Road, Ranchi GPO, Ranchi – 834 001, Jharkhand India.
2.	Rajesh Agrawal	Whole-time Director and Chief Financial Officer	06448058	202 Shanti Basant, Appartment, Kanke Road, Near Gandhi Nagar, Adityanilayam Galli, Misirgonda alias Pahargonda, Ranchi – 834 004, Jharkhand, India.
3.	Binita Sahu	Non-Executive Non-Independent Director	07792268	Krishna Apartment, Flat Number 201, Near Akashwani, Ratu Road, Ranchi GPO, Ranchi – 834 001, Jharkhand India.
4.	Sasmita Mohanty	Independent Director	08540315	188, Harmony Apartments, Pocket 1 Sector - 4, Amberhai, Dwarka, Sec 6, South West Delhi-110 075, Delhi, India.
5.	Sanchit Jaiswal	Independent Director	09812067	A-17/G-2, Near GTB Hospital, Dilshad Garden, East Delhi – 110 095, Delhi, India.
6.	Raj Kumar Lakhotia	Independent Director	00281524	BL-3, Flat-6A, Magnolia 54/10 D C Dey Road, Seal Lane, Kolkata – 700 015, West Bengal, India.

For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 154 of the Red Herring Prospectus.

Chief Financial Officer

Rajesh Agrawal, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

6th Floor, Home Decor Building,
Opposite Durga Mandir, Ratu Road,
Ranchi G.P.O., Ranchi – 834 001,
Jharkhand, India.

Telephone: +91 915 519 2834

E-mail: cfo@babafaod.in

Company Secretary and Compliance Officer

Ashana Vij, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

6th Floor, Home Decor Building,
Opposite Durga Mandir, Ratu Road,
Ranchi G.P.O., Ranchi – 834 001,
Jharkhand, India.

Telephone: +91 915 519 2834

E-mail: cs@babafaod.in

Investor grievances

Investors can contact the Company Secretary and Compliance Officer, the BRLM 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, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances relating to the issue 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 Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

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

Book Running Lead Manager

Horizon Management Private Limited

19 R N Mukherjee Road,
Main Building, 2nd Floor
Kolkata- 700 001,
West Bengal, India.

Telephone: +91 33 4600 0607

Facsimile: +91 33 4600 0607

Email ID: smeipo@horizon.net.co

Website: www.horizonmanagement.in

Investor Grievance ID: investor.relations@horizon.net.co

Contact Person: Manav Goenka

SEBI Registration Number: INM000012926

Validity: Permanent

Registrar to the Issue

MAS Services Limited

T-34, 2nd Floor, Okhla Industrial Area,
Phase-II New Delhi-110020

Telephone: +91 112 638 7281/82/83

Facsimile: +91 112 638 7384

E-mail: info@masserv.com

Website: www.masserv.com

Investor grievance: inverstor@masserv.com

SEBI Registration No: INR000000049

Contact person: Sharwan Mangla

Legal Advisor to the Issue**T&S Law**

Near VVIP Mall, Raj Nagar Extension,
Ghaziabad – 201 017,
Uttar Pradesh, India

Telephone: +91 995 611 4287

Contact Person: Sagarika Kapoor

Email: info@tandslaw.in

Statutory and Peer Review Auditor of our Company**Sumit Mohit & Company,**

Chartered Accountants

616, Laxmi Deep Building,
Laxmi Nagar, District Center,
New Delhi – 110 092, Delhi, India.

Telephone: + 91 11 4265 1280

Email: smccafirm@gmail.com

Contact Person: CA Sumit Garg

Membership No.: 506945

Firm Registration No.: 021502N

Peer Review Certificate No.: 012907

Advisor to the Company**M/s. Ridhvi Corporate Solutions**

B 403, Kemp Plaza, Mind Space,
Malad (W), Mumbai – 400 064,
Maharashtra, India.

Telephone: +91 773 813 3775

Email: info@ridhvigroup.com

Contact Person: Rohit Dalmia

Bankers to our Company**Axis Bank Limited**

Ranchi Branch, HB Road, Shambhu Complex,
Near Firayalal Chowk, Ranchi-834001, Jharkhand

Telephone: +91 9709555266

Email: Ujjwal3.Singh@axisbank.com

Website: www.axisbank.com

Contact Person: Ujjwal Singh

Banker to the Issue/ Refund Bank/ Public Issue Bank/ Sponsor Bank**Axis Bank Limited**

Ranchi Branch, HB Road, Shambhu Complex,

Near Firayalal Chowk, Ranchi-834001, Jharkhand
Telephone: +91 9709555266
Email: rajprakash.singh@axisbank.com
Website: www.axisbank.com
Contact Person: Raj Prakash Singh
SEBI Registration Number: INBI00000017

Syndicate Member

The BRLM shall be acting as the Syndicate Member in relation to this Issue.

Market Maker

Nikunj Stock Brokers Limited

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

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

E-mail: complianceofficer@nikunjonline.com

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

Contact Person: Mr. Anupam Suman

SEBI Registration: INZ000169335

CIN: U74899DL19941PLC060413

NSE Market Maker Registration No.: NSE/MEM/278/06913

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), UPI Bidders Bidding using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and 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. The said list is available on the website of SEBI at <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>, as updated from time to time.

Registered Brokers

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

Registrar and Share Transfer Agent

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

Collecting Depository Participants

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18>for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

IPO Grading

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

Credit Rating

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

Green Shoe Option

No Green Shoe Option is applicable for this Issue.

Brokers to the Issue

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

Debenture Trustees

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

Monitoring Agency

As the Net Proceeds of the Issue will be less than ₹10,000 lakhs, 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 September 9, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Red Herring 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 September 8, 2023 on our Restated Financial Information; and (ii) its report dated September 9, 2023 on the statement of special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Inter-se Allocation of Responsibilities

Horizon Management Private Limited, being the sole Book Running 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 Red Herring Prospectus was not be filed with SEBI, nor did SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of this Red Herring Prospectus shall be furnished to the Board. Pursuant to SEBI Master Circular, a copy of this Red Herring Prospectus is being filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Draft Red Herring Prospectus, was filed with the Emerge Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

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

Changes in Auditors during the last three years

Except as stated below, there has been no change in the statutory auditors of our Company in the last three years preceding the date of this Red Herring Prospectus:

Name of the auditor	Date of change	Reason of change
N.K Kejriwal & Co., Chartered Accountants Shop No. 11, 2 nd Floor, Gel Church Complex, Main Road, Ranchi – 834 001, Jharkhand, India. Telephone: +91 06512330441 E-mail: nkk.fca@gmail.com Firm Registration Number: 004326C	May 18, 2023	Resignation of the auditor due to their pre-occupation in other assignments.
Sumit Mohit & Company, Chartered Accountants 616, Laxmi Deep Building, Laxmi Nagar, District Center, New Delhi – 110 092, Delhi, India. Telephone: +91 11 4265 1280 E-mail: smccafirm@gmail.com Firm Registration Number: 021502N Peer Review Certificate Number: 012907	May 27, 2023	Appointment as the statutory auditor, in place of M/s. N.K Kejriwal & Co.

BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in English editions of Business Standard, the English national newspaper, all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express , Hindi newspaper, Hindi being the regional language of Jharkhand, where our Registered Office is located at least two working days prior to the Bid/Issue Opening date. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager, in this case being Horizon Management Private Limited;
- The Syndicate Member, who is the BRLM, is registered with SEBI and eligible to act as Underwriter.
- The Registrar to the Issue, in this case being MAS Services Limited
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein 2% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

Further, not less than 29% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 69% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB 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 BRLM and the Designated Stock Exchange.

All Bidders are mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism.

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid 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 Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue 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. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 250 of the Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 250 of this Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 250 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.

- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

Bid/Issue Program:

Event	Indicative Dates
Bid/Issue Opening Date	Friday, November 3, 2023
Bid/Issue Closing Date	Tuesday, November 7, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Friday, November 10, 2023
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Monday, November 13, 2023
Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, November 15, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, November 16, 2023

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); ‘T’ being issue closing date. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular.

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

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional 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 Bid Cum 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 Bid Cum 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.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Bid/Issue Opening Date without assigning any reason thereof.

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

Notwithstanding the foregoing, the Issue is subject to obtaining 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

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriters, Horizon Management Private Limited and Nikunj Stock Brokers Limited.

Pursuant to the terms of the Underwriting Agreement dated October 25, 2023 entered into by Company, Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriters	No. of shares underwritten*	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
Horizon Management Private Limited 19 R N Mukherjee Road, Main Building, 2 nd Floor Kolkata- 700 001, West Bengal, India. Telephone: +91 33 4600 0607 Facsimile: +91 33 4600 0607 Email ID: smeipo@horizon.net.co	[●]	[●]	95.00
Nikunj Stock Brokers Limited A-92. Ground Floor, Left Portion, Kamla Nagar, New Delhi – 110 007, Delhi, India. Telephone: +91 114 703 0017-18/ 999 949 2292 Facsimile: N.A. E-mail: complianceofficer@nikunjonline.com	[●]	[●]	5.00

*Includes [●] Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The above mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into a Market Making Agreement dated October 25, 2023 with the following Market Maker for fulfilling the Market Making obligations under this Issue:

Name	Nikunj Stock Brokers Limited
Address	A-92. Ground Floor, Left Portion, Kamla Nagar, New Delhi – 110 007, Delhi, India.
Telephone Number	+91 114 703 0017-18/ 999 949 2292
Email	complianceofficer@nikunjonline.com
Website	https://www.nikunjonline.com/
Contact Person	Mr. Anupam Suman
CIN	U74899DL19941PLC060413
SEBI Registration Number	INZ000169335
Market Maker Registration Number	NSE/MEM/278/06913

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated

October 25, 2023 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

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

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited 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 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.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
4. 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 Offer Size (Including the [●] Equity Shares ought to be allotted under this Offer). Any Equity Shares allotted to Market Maker under this Offer over and above [●] Equity Shares would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of market maker in our Company reduce to 24% of Offer Size, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
6. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
7. 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 Offer price.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. 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.
10. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company, the Selling Shareholders and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

11. **Risk containment measures and monitoring for Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will have all margins which are applicable on the National Stock Exchange of India Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary

from time-to-time.

12. **Punitive Action in case of default by Market Maker:** EMERGE Platform of National Stock Exchange of India Limited 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.
13. 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.
14. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- 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.
 - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.
15. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME 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.

16. 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 Offer size and as follows:

Offer Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Offer size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer 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 / National Stock Exchange of India Limited from time to time.

CAPITAL STRUCTURE

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

(in ₹, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	Authorized Share Capital 1,75,00,000 Equity Shares having Face Value of ₹ 10/- each	17,50,00,000	-
B	Issued, Subscribed & Paid-up Share Capital prior to the Issue 1,20,00,003 Equity Shares having Face Value of ₹ 10/- each	12,00,00,030	-
C	Present Issue in terms of this Red Herring Prospectus* Upto [●] Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per share	[●]	Up to 33,00,00,000
	<i>Which comprises of:</i>		
D	Reservation for Market Maker Portion [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share reserved as Market Maker Portion	[●]	[●]
E	Net Issue to Public Net Issue to Public of [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share to the Public	[●]	[●]
	<i>Of which:</i>		
	i. At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	ii. At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	iii. Not more than [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Qualified Institutional Buyers	[●]	[●]
F	Issued, Subscribed and Paid up Equity Share Capital after the Issue**		
	Upto [●] Equity Shares of face value of ₹10/- each		[●]
G	Securities Premium Account		
	Before the Issue (as on date of this Red Herring Prospectus)	NIL	
	After the Issue		[●]

*The present Issue has been authorized pursuant to a resolution of our Board dated July 24, 2023 and a special resolution of our Shareholders at an Extra-Ordinary General Meeting dated August 14, 2023, under Section 62(1)(c) of the Companies Act, 2013.

**Subject to finalization of Basis of Allotment.

Classes of Shares

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

NOTES TO THE CAPITAL STRUCTURE

1) Details of changes in Authorized Share Capital of our Company

The authorised share capital of our Company, at the time of incorporation was ₹ 4,50,00,000 divided into 45,00,000 Equity Shares of ₹ 10/- each. Further, the changes in authorised share capital of our Company are provided in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
May 5, 2016	₹ 4,50,00,000 consisting of 45,00,000 Equity Shares of ₹ 10 each	₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each.	EGM
May 28, 2023	₹ 5,00,00,000 consisting of 50,00,000 Equity Shares of ₹ 10 each	₹ 17,50,00,000 divided into 1,75,00,000 Equity Shares of ₹ 10 each.	EGM

2) History of Paid-up Equity Share Capital our Company:

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 ⁽¹⁾	50,000	5,00,000
October 5, 2015	27,22,500	10	10	Cash	Rights Issue ⁽²⁾	27,72,500	2,77,25,000
October 28, 2015	5,85,000	10	10	Cash	Rights Issue ⁽³⁾	33,57,500	33,575,000
May 6, 2016	14,42,500	10	10	Cash	Rights Issue ⁽⁴⁾	4,800,000	48,000,000
May 29, 2023	72,00,003	10	-	N.A.	Bonus Issue ⁽⁵⁾	1,20,00,003	12,00,00,030

⁽¹⁾ Subscription of to the MOA for the total of 50,000 Equity Shares by Yogesh Kumar Sahu (25,000 Equity Shares) and Gyan Prakash Sahu (25,000 Equity Shares).

⁽²⁾ Rights Issue of a total of 27,22,500 Equity Shares to Binita Sahu (1,44,500 Equity Shares), Ekta Sahu (89,500 Equity Shares), Gyan Prakash Sahu HUF (1,15,000 Equity Shares), Gyan Prakash Sahu (6,75,000 Equity Shares), Krishna Devi (40,000 Equity Shares), Manish Kumar Sahu HUF (1,37,000 Equity Shares), Manish Kumar Sahu (1,58,000 Equity Shares), Rakhi Sahu (1,22,000 Equity Shares), Sudhir Prasad Sahu HUF (2,59,000 Equity Shares), Sudhir Prasad Sahu (5,12,500 Equity Shares), Yogesh Kumar Sahu (3,75,000 Equity Shares) and Yogesh Kumar Sahu HUF (95,000 Equity Shares).

⁽³⁾ Rights Issue of a total of 5,85,000 Equity Shares to Binita Sahu (55,000 Equity Shares), Ekta Sahu (1,90,000 Equity Shares), Gyan Prakash Sahu HUF (35,000 Equity Shares), Gyan Prakash Sahu (25,000 Equity Shares), Krishna Devi (1,12,500 Equity Shares), Manish Kumar Sahu HUF (35,000 Equity Shares), Rakhi Sahu (22,500 Equity Shares), Sudhir Prasad Sahu HUF (7,500 Equity Shares), Sudhir Prasad Sahu (40,000 Equity Shares), Yogesh Kumar Sahu (42,500 Equity Shares) and Yogesh Kumar Sahu HUF (20,000 Equity Shares).

⁽⁴⁾ Rights Issue of a total of 14,42,500 Equity Shares to Ekta Sahu (94,000 Equity Shares), Gyan Prakash Sahu (66,500 Equity Shares), Gyan Prakash Sahu HUF (1,75,500 Equity Shares), Manish Kumar Sahu (1,00,000 Equity Shares), Manish Kumar Sahu HUF (2,98,000 Equity Shares), Rakhi Sahu (1,42,500 Equity Shares), Sudhir Prasad Sahu (3,47,500 Equity Shares), Yogesh Kumar Sahu (1,01,500 Equity Shares) and Yogesh Kumar Sahu HUF (1,17,000 Equity Shares).

⁽⁵⁾ Bonus Issue in the ratio of 3:2 Equity Shares of a total of 72,00,003 Equity Shares to Yogesh Kumar Sahu (65,52,750 Equity Shares), Binita Sahu (2,99,243 Equity Shares), Yogesh Kumar Sahu HUF (3,48,000 Equity Shares), Rajesh Agrawal (02 Equity Shares), Bhagwati Prasad Agrawal (02 Equity Shares), Ashish Khemka (02 Equity Shares), Pankaj Kumar Agrawal (02 Equity Shares) and Preeti Agrawal (02 Equity Shares).

3) Preference Share capital history of our Company

As on date of this Red Herring Prospectus, our Company does not have a preference share capital.

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

Except as stated below, our Company has not issued shares for consideration other than cash during last one year:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Reasons of / Nature of allotment	Benefit accrued to our Company	Source out of which Bonus Shares Issued
May 29, 2023	72,00,003	10	N.A.	Bonus issue in the ratio of 3:2 Equity Shares authorised by our Board, pursuant to a resolution passed at its meeting held on May 28, 2023, and by our Shareholders pursuant to a resolution passed at the EGM held on May 28, 2023. ⁽¹⁾	-	Bonus Issued out of General Reserves

Bonus Issue in the ratio of 3:2 Equity Shares of a total of 72,00,003 Equity Shares to Yogesh Kumar Sahu (65,52,750 Equity Shares), Binita Sahu (2,99,243 Equity Shares), Yogesh Kumar Sahu HUF (3,48,000 Equity Shares), Rajesh Agrawal (02 Equity Shares), Bhagwati Prasad Agrawal (02 Equity Shares), Ashish Khemka (02 Equity Shares), Pankaj Kumar Agrawal (02 Equity Shares) and Preeti Agrawal (02 Equity Shares). For further details, please see – “History of Paid up Equity Share Capital our Company” on page 74.

- As of date of this Red Herring Prospectus, our Company has not undertaken a bonus issue by capitalizing its revaluation reserves.
- 5) As of date of this Red Herring 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.
 - 6) Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
 - 7) Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of the one year preceding the date of this Red Herring Prospectus.
 - 8) **Shareholding Pattern of our Company**

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

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+ (++VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)^
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	3	1,19,99,988	-	-	1,19,99,988	100.00	1,19,99,988	1,19,99,988	100.00	-	100.00	-	-	-	-	1,19,99,988
(B)	Public	5	15	-	-	15	Negligible	15	15	Negligible	-	Negligible	-	-	-	-	3
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		8	1,20,00,003	-	-	1,20,00,003	100.00	1,20,00,003	1,20,00,003	100.00	-	100.00	-	-	-	-	1,19,99,991

^Our Company is in the process of dematerialising the Equity Shares held by persons other than Promoter and members of Promoter Group of our Company.

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 Exchange before commencement of trading of such Equity Shares.

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 and the number of shares held by them as on the date of filing of this Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Yogesh Kumar Sahu	1,09,21,250	91.01
2.	Binita Sahu	4,98,738	4.16
3.	Yogesh Kumar Sahu HUF	5,80,000	4.83
Total		1,19,99,988	100.00

- 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 Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Yogesh Kumar Sahu	1,09,21,250	91.01
2.	Binita Sahu	4,98,738	4.16
3.	Yogesh Kumar Sahu HUF	5,80,000	4.83
Total		1,19,99,988	100.00

- 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 Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Paid-up Equity Share Capital
1.	Yogesh Kumar Sahu	43,68,500	91.01
2.	Binita Sahu	1,99,500	4.16
3.	Yogesh Kumar Sahu HUF	2,32,000	4.83
Total		48,00,000	100.00

- 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 Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Paid-up Equity Share Capital
1.	Gyan Prakash Sahu	12,61,500	26.28
2.	Yogesh Kumar Sahu	10,89,000	22.69
3.	Sudhir Prasad Sahu	9,00,000	18.75
4.	Ekta Sahu	3,73,500	7.78
5.	Gyan Prakash Sahu HUF	3,25,500	6.78
6.	Sudhir Prasad Sahu HUF	2,66,500	5.55
7.	Yogesh Kumar Sahu HUF	2,32,000	4.83
8.	Binita Sahu	1,99,500	4.16
9.	Krishna Devi	1,52,500	3.18
Total		48,00,000	100.00

- 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 Red Herring 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 Red Herring 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 Promoter**

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

Date of Allotment and made fully paid up/ Transfer	Nature of Transaction/ Issue	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
Yogesh Kumar Sahu										
April 22, 2015	Subscriber to the MOA	Cash	25,000	10	10	25,000	0.21	[●]	-	-
October 5, 2015	Rights Issue	Cash	3,75,000	10	10	4,00,000	3.33	[●]	-	-
October 28, 2015	Rights Issue	Cash	42,500	10	10	4,42,500	3.69	[●]	-	-
May 6, 2016	Rights Issue	Cash	1,01,500	10	10	5,44,000	4.53	[●]	-	-
December 17, 2016	Transfer from Manish Kumar Sahu	Cash	2,58,000	10	10	8,02,000	6.68	[●]	-	-
December 17, 2016	Transfer from Rakhi Sahu	Cash	2,87,000	10	10	10,89,000	9.07	[●]	-	-
August 22, 2022	Transfer from Gyan Prakash Sahu	Gift	15,87,000	10	-	26,76,000	22.30	[●]	-	-
August 22, 2022	Transfer from Ekta Sahu	Gift	3,73,500	10	-	30,49,500	25.41	[●]	-	-
August 22, 2022	Transfer from Krishna Devi	Gift	1,52,500	10	-	32,02,000	26.68	[●]	-	-
August 22, 2022	Transfer from Sudhir Prasad Sahu HUF	Gift	2,66,500	10	-	34,68,500	28.90	[●]	-	-
August 22, 2022	Transfer from Sudhir Prasad Sahu	Gift	9,00,000	10	-	43,68,500	36.40	[●]	-	-
May 29, 2023	Bonus Issue in the ratio of 3:2	Not Applicable	65,52,750	10	-	1,09,21,250	91.01	[●]	-	-
	Total		1,09,21,250			1,09,21,250	91.01			

12) As on the date of the Red Herring Prospectus, the Company has 08 (Eight) shareholders.

13) The details of the Shareholding of the members of the Promoter Group as on the date of this Red Herring Prospectus are set forth in the table below:

S. No.	Particulars	No. of Equity Shares	As a % of Pre-Issue Capital	No. of Equity Shares	As a % of Post Issue Capital
Promoter					
1.	Yogesh Kumar Sahu	1,09,21,250	91.01	1,09,21,250	[●]
Promoter Group					
1.	Binita Sahu	4,98,738	4.16	4,98,738	[●]
2.	Yogesh Kumar Sahu HUF	5,80,000	4.83	5,80,000	
	Total – A	1,19,99,988	100.00	1,19,99,988	[●]

14) There were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months except as under:

Date of Transfer	Transferor Name	Transferee Name	No. of Shares	Consideration	Value (in Rs.)
May 18, 2023	Binita Sahu	Rajesh Agrawal	1	Cash	60.00
May 18, 2023	Binita Sahu	Bhagwati Prasad Agrawal	1	Cash	60.00
May 18, 2023	Binita Sahu	Ashish Khemka	1	Cash	60.00
May 18, 2023	Binita Sahu	Pankaj Kumar Agrawal	1	Cash	60.00
May 18, 2023	Binita Sahu	Preeti Agrawal	1	Cash	60.00

The above transfer of shares were affected to increase the number of members to 7 (Seven) as required for the conversion of the Company into a public Company.

15) There are no financing arrangements wherein the Promoter, 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 Red Herring 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 Promoter shall be locked in for a period of three years from the date of Allotment (“**Minimum Promoter’ 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 ^{*(1)(2)(3)}	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
Yogesh Kumar Sahu							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	3 years
SUB-TOTAL	[•]	[•]	[•]	[•]	[•]	[•]	

* Subject to finalisation of Basis of Allotment. The portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.

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

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

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

For details of the build-up of the Equity Share capital held by our Promoter, see chapter titled “*Capital Structure - Shareholding of our Promoter*” on Page No. 78.

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 promoters’ 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 Promoter upon conversion of a partnership firm;
- Equity Shares held by the Promoter 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 Promoter upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoter and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoter, Equity Shares forming part of Promoter’s Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoter during the period starting from the date of filing of the Draft Red Herring Prospectus till the date of commencement of lock in period as stated in this Red Herring 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’ 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 Promoter 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 Promoter which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst Promoter / members of the Promoter Group or to a new promoter 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 Promoter 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 Promoter 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 Promoter, our Directors and the Book Running 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 Red Herring 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 Red Herring 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 Red Herring 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 Promoter and the Promoter Group during the period between the date of filing the Draft Red Herring 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 Red Herring Prospectus.
- 26) As on the date of this Red Herring Prospectus, the Book Running 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 BRLM 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 Promoter 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, Key Management Personnel and Senior Management:

Sr. No.	Name of Director / Key Management Personnel / Senior Management	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Yogesh Kumar Sahu	1,09,21,250	91.01
2)	Binita Sahu	4,98,738	4.16
3)	Rajesh Agrawal	3	0.00

- 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 No. 250 of this Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (1) 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 Promoter 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 BRLM and Designated 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 Promoter to the persons who receive allotments, if any, in this Issue.
- 35) As on date of this Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.

OBJECTS OF THE ISSUE

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

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

1. Investment in our wholly owned Subsidiary, Panchakanya Foods Private Limited (“**PFPL**”) for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill (hereinafter referred as the “**Project**”);
2. Funding purchase of machinery for manufacturing Chickpea Flour (Besan) and Roasted Gram Flour (Sattu) in our existing manufacturing unit in Ranchi;
3. Funding working capital requirements of our Company;
4. Prepayment or repayment of all or a portion of certain outstanding unsecured borrowings availed by our Company; and
5. 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 and PFPL enable our Company and PFPL to undertake its existing activities and the activities proposed to be funded from the Net Proceeds.

Issue Proceeds

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

Particulars	Estimated amount ⁽¹⁾
Gross Proceeds from the Issue	[●]
(Less) Issue related expenses	[●]
Net Proceeds	[●]

⁽¹⁾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:

Sr. No.	Particulars	Estimated amount
1.	Investment in PFPL for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill	Up to 2,029.88
2.	Funding purchase of machinery for manufacturing Chickpea Flour (Besan) and Roasted Gram Flour (Sattu) in our existing manufacturing unit in Ranchi	Up to 365.70
3.	Funding working capital requirements of our Company	Up to 250.00
4.	Prepayment or repayment of all or a portion of certain outstanding unsecured borrowings availed by our Company	Up to 200.00
5.	General corporate purposes ⁽¹⁾⁽²⁾	[●]

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

⁽²⁾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. As on the date of this Red Herring Prospectus, our Company had infused an amount of ₹ 315.44 lakhs in our Subsidiary by way of investment in equity and debt. PFPL has deployed an amount of ₹ 315.44 lakhs towards the Project. In accordance with the SEBI ICDR Regulations, details of the sources of funds and the deployment of funds on the project has been certified by the Statutory Auditor of our Company vide its certificate dated September 9, 2023.

(₹ in lakhs)

Sr. No.	Particulars	Total estimated cost	Amount already deployed as on August 31, 2023	Amount which will be financed from Net Proceeds ⁽¹⁾	Bank Finance ⁽⁴⁾	Estimated Utilisation of Net Proceeds	
						Financial Year 2023-24	Financial Year 2024-25
1.	Investment in PFPL for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill	5,829.88 ⁽²⁾	315.44 ^{(2)^}	2,029.88	3,800.00	2,029.88	-
2.	Funding purchase of machinery for manufacturing Chickpea Flour (Besan) and Roasted Gram Flour (Sattu) in our existing manufacturing unit in Ranchi	365.70	-	365.70	-	365.70	-
3.	Funding working capital requirements of our Company	250.00	-	250.00	-	250.00	-
4.	Prepayment or repayment of all or a portion of certain outstanding unsecured borrowings availed by our Company	200.00	-	200.00	-	200.00	-
5.	General corporate purposes ⁽¹⁾	[•]	[•]	[•]	[•]	[•]	[•]
Total		[•]	[•]	[•]	[•]	[•]	[•]

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

⁽²⁾Total estimated cost of the Project has been certified by Axis Bank Limited pursuant to their letter dated September 15, 2023.

^{(2)^}Our Company had infused an amount of ₹ 315.44 lakhs in our Subsidiary by way of investment in equity and debt. The said amount was used to pay the leasehold rental in accordance with the letter of allotment dated August 11, 2023 read with the letter dated September 14, 2023 issued by Bihar Industrial Area Development Authority ("BIADA") to our Subsidiary for the purpose of allotting land to our Subsidiary on a leasehold basis for setting up the proposed manufacturing unit. We propose to reimburse the amount invested in our Subsidiary by our Company, through the Net Proceeds.

⁽³⁾As certified by our Statutory Auditor, by way of their certificate dated September 9, 2023 in respect of amounts deployed by the PFPL towards the Project.

⁽⁴⁾Axis Bank vide a sanction letter dated September 15, 2023 has sanctioned a term loan of an amount of ₹ 3,800 lakhs to our Subsidiary for the purpose of construction of building and procurement of machinery for the manufacturing unit proposed to be set up in Patna, Bihar.

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

Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

For further details see “*Risk Factor – Risk Factor 6 - 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 30.

The fund requirements mentioned above for purchase of plant and equipment and civil works are based on the internal management estimates of our Company and quotation received from third parties. The fund requirements mentioned above except for purchase of plant and equipment and civil works are based on the internal management estimates of our Company, and have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing. For further details see “*Risk Factors – Risk Factor 25 - Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval*” on page 40.

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds, internal accruals and through existing as well as proposed debt financing. In view of above, we confirm that, with respect to the Objects, our Company has made 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, excluding the amount proposed to be raised through the Issue. While we have available debt financing for 75% of the funds required excluding the Net Proceeds, the expenditure already incurred and existing identified internal accruals may, at the discretion of the management be, utilize for our future internal accruals in order to reduce our financing costs.

Deployment of Funds and Sources of Funds

Our Statutory Auditor *vide* its certificate dated September 9, 2023 has confirmed that as of August 31, 2023, ₹ 315.44 lakhs have been deployed by PFPL towards the Project. The details are as follows:

(₹ in lakhs)

S. No.	Particulars	Amount
1.	Lease rent paid to Bihar Industrial Area Development Authority (“BIADA”)	315.44

The aforesaid amounts have been financed as follows:

(₹ in lakhs)

S. No.	Particulars	Amount
1.	Infusion of funds by our Company into PFPL by way of investment in equity and debt	315.44

Our Company had infused an amount of ₹ 315.44 lakhs in our Subsidiary by way of investment in equity and debt. Pursuant to such infusion, PFPL has deployed ₹ 315.44 lakhs for payment of leasehold expenditure in accordance with letter of allotment dated August 11, 2023 read with the letter dated September 14, 2023 issued by BIADA. The said deployment has been certified and confirmed by our Statutory Auditor by way of a certificate dated September 9, 2023.

Further, our Company proposes to reimburse the amount invested in our Subsidiary by our Company, being ₹ 315.44 lakhs through the Net Proceeds. The remaining amount of ₹ 684.56 lakhs to be incurred towards leasehold expenditure shall be funded through the term loan of ₹ 3,800 lakhs which has been sanctioned by Axis Bank Limited. Therefore, the amount of ₹ 315.44 lakhs shall be funded from the Net Proceeds.

Details of the Object

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

1. Investment in our wholly owned Subsidiary, Panchakanya Foods Private Limited (“PFPL”) for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill.

Our Company is engaged in the business of manufacturing high fibre Whole Wheat Atta (*Wheat Flour*), Refined Flour (*Maida*), Tandoori Atta and Semolina flour (*Sooji*). Our manufacturing unit is situated in Ranchi and houses two divisions namely, high fibre whole wheat atta division and refined flour division. Our Company manufactures high fibre Whole Wheat Atta (*Wheat Flour*) in our whole wheat atta division and Refined Flour (*Maida*), Tandori Atta, Semolina flour (*Sooji*) in our refined flour division. The manufacturing unit of our Company is situated at Village Nagri, P.S. Thana No. 122, Khata No. 03, Plot No. 2278, Nagri, Ranchi District – 835 303, Jharkhand, India. As of date of this Red Herring Prospectus, our Company markets and sells in products in Jharkhand, Odisha and West Bengal. Our Company is proposing to expand its business operations in India by investing in its wholly owned Subsidiary, Panchakanya Foods Private Limited, for the purpose of setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna and expand its market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region, Odisha and Jharkhand.

The proposed manufacturing unit is being set up in a plot of land admeasuring 217800 sqft. bearing numbers E[P-l(a)], E[P-l(b)], E[P-l(c)], E[P-l(d)], E[P-l(e)] in Industrial Area, Sikandrapur of Bihta cluster, Dist. Patna, Bihar. The said land has been allotted to our Subsidiary by Bihar Industrial Area Development Authority (“BIADA”) on a leasehold basis vide a letter of allotment dated August 11, 2023 read with the letter dated September 14, 2023 issued by BIADA. The execution of the lease deed and completion of the allotment of land to our Subsidiary is subject to compliance of the terms and conditions mentioned in the letter of allotment. The lease shall be for a period of ninety (90) years. Our Subsidiary shall be manufacturing whole wheat chakki atta, refined flour (*maida*), tandoori atta and semolina flour (*sooji*) in the proposed manufacturing unit.

Our Company proposes to utilise ₹ 2,029.88 lakhs from the Net Proceeds for investment into PFPL for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill. The investment by our Company in PFPL is proposed to be undertaken in the form of equity or debt or a combination of both or in any other manner as may be mutually decided. The actual mode of such deployment has not been finalised as on the date of this Red Herring Prospectus. We believe that the said investment will result in increase in the value of the investment made by our Company in PFPL. For further details see “*Risk Factors – One of our objects of the Issue is to invest in Panchakanya Foods Private Limited, our Subsidiary, for the purpose of setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna. The investment of the Net Proceeds in our Subsidiary will not result in creation of any tangible assets for our Company*” on page 33.

Further, such investment is being undertaken in furtherance of our strategy to expand our market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region, Odisha and Jharkhand. For further details, please see “*Our Business – Strategies*” on page 128. PFPL proposes to utilize an aggregate of ₹ 2,029.88 lakhs out of the Net Proceeds and balance ₹ 3,800 lakhs will be funded by a term loan, which has been sanctioned to our Subsidiary by Axis Bank Limited.

Estimated Costs

The total estimated cost of towards setting up of a separate manufacturing unit is ₹ 5,829.88 lakhs of which ₹ 2,029.88 lakhs will be raised through the proceeds of this Issue and ₹ 3,800 lakhs will be funded by a term loan which has been sanctioned to our Subsidiary by Axis Bank Limited. 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 and the board of directors of our Subsidiary in their meeting dated September 18, 2023.

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

(₹ in lakhs)	
Particulars	Amount
Land	Nil
Leasehold expenditure	1,000.00
Civil Works	2,243.17
Plant and Machinery, Silos, Weighing Scale and Electrification	2,227.30
Contingency	89.41

Particulars	Amount
Preoperative Expenses	270.00
Total	5,829.88

a) Land

The proposed manufacturing unit is being set up in a plot of land admeasuring 217800 sqft. bearing numbers E[P-l(a)], E[P-l(b)], E[P-l(c)], E[P-l(d)], E[P-l(e)] in Industrial Area, Sikandrapur of Bihta cluster, Dist. Patna, Bihar. The said land has been allotted to our Subsidiary by Bihar Industrial Area Development Authority (“BIADA”) on a leasehold basis vide a letter of allotment dated August 11, 2023 read with the letter dated September 14, 2023 issued by BIADA. The execution of the lease deed and completion of the allotment of land to our Subsidiary is subject to compliance of the terms and conditions mentioned in the letter of allotment. The lease shall be for a period of ninety (90) years. Our Subsidiary shall be manufacturing whole wheat chakki atta, refined flour (*maida*), tandoori atta and semolina flour (*sooji*) in the proposed manufacturing unit.

Our Company had infused an amount of ₹ 315.44 lakhs in our Subsidiary by way of investment in equity and debt. Pursuant to such infusion, PFPL has deployed ₹ 315.44 lakhs for payment of leasehold expenditure in accordance with letter of allotment dated August 11, 2023 read with the letter dated September 14, 2023 issued by BIADA. The said deployment has been certified and confirmed by our Statutory Auditor by way of a certificate dated September 9, 2023.

b) Civil Works

For setting up of an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill, PFPL has planned a site development with requisite civil structure at an estimated cost ₹ 2,243.17 lakhs. PFPL has received a quotation dated September 9, 2023 from M/s. Pankaj Agarwal for site development and civil structure and is yet to place order for the same, which amounts to ₹ 2,243.17 lakhs. The detailed bifurcation of cost is as follows:

(₹ in Lakhs)		
Description of work	Quotation Date	Amount
Mill House Building 112’-6”x52’xG+5 floors= Total 35100 Sq ft	September 9, 2023	544.40
Mill House Building Foundation to Floor Level including PIT Total 5850 Sq ft		79.03
Wheat Bins Storage Tanks 12 Nos		95.00
Warehouse 100000 Sq ft		651.00
Packaging, Choker, Finished Goods, Dust & Bag Storage Space 23000 Sq ft		154.23
Wheat Silos Foundation 2 nos		96.00
Administrative Block, Staff & Labour Quarter, Executive Quarter = 8400 sqft		126.08
Weighbridge Foundation 16 Mtr		8.50
Boundary Wall, Road Construction, Soil Filling		146.75
Total		1900.99
18% GST applicable		342.18
Total		2,243.17

c) Plant and Machinery, Silos, Weighing Scale and Electrification

PFPL proposes to acquire machineries, silos and weighing scale and fund electrification expenses at an estimated cost of about ₹ 2,227.30 lakhs. The said machinery proposed to be purchased have been identified, however PFPL is yet to place order for 100% of the plant and machinery worth ₹ 2,227.30 lakhs. The detailed list of plant & machinery to be acquired by PFPL is provided below:

Sr. No.	Particulars	Units to be purchased	Per Unit Price (₹lakhs)	Total Cost (₹lakhs)	Quotation reference	Validity of quotation
1.	Roller Flour Mill:					
a)	Complete Flour Mill Main Machinery including : For 1 st Cleaning Section containing inter alia, Rotary	1 set	694.26 ^{5A}	694.26 ^{5A}	September 10, 2023 Sourced from: S. S. Milling And Engineering Co.	November 20, 2023

Sr. No.	Particulars	Units to be purchased	Per Unit Price (₹lakhs)	Total Cost (₹lakhs)	Quotation reference	Validity of quotation
	<p>Separator; De-stoner; Multinator with fan, etc.</p> <p>For 2nd Cleaning Section containing Rotary Separator; Horizontal Scourer; Air channel; etc.</p> <p>For Milling Section containing Process Weigher, Roller Mills, Iffipure Purifier, Plansifter, etc.</p> <p>Manufactured by: Selis Co., Ltd., Turkey</p>					
b)	<p>Ancillary Machinery containing Drum sieve, Pre-cleaner separator, Magnetic Destoner (for cleaning), etc.</p> <p>Manufactured/ Commissioned by: S. S. Milling And Engineering Co.</p> <p>Accessories and certain ancillary machines, Conveying & Spouting & Ducting from Khandelwal Make of SS Milling</p>	1 set	39.85	39.85		
		1 set	194.48	194.48		
c)	Packing Section Equipments & machines, which include Flour Intake System; Root Blower; Pneumatic Lifts; Pneumatic Diverter, etc.	1 set	98.84	98.84		
d)	Electrical Section including LT Panel and MCC Panel, Cable Tray, Normal Motors, PLC automation, Main Panel, Cables and Earthing Work.	1 set	162.00	162.00		
e)	Lab Equipments	1 set	50.00	50.00		
f)	Erection Materials viz., Iron & Steel, Tools & tackles, Hardware & Consumables etc	1 set	41.00	41.00		
g)	Other Accessories viz., Air Compressor, sefar stretching, Plumbing etc	1 set	36.00	36.00		
h)	DG set	1 set	25.00	25.00		
i)	Mechanical & Electrical Installations and Engineering consultancy & Painting	1 set	59.00	59.00		
	Technical Specifications:					
	Capacity: 250 tons/day					
2.	Whole Wheat Chakki Atta Mill:					
a)	<p>Complete Atta Chakki Mill Main Machinery including:</p> <p>Cleaning Section containing Vertical Grain Discharger; Emery Roll; Batak Aspirator, etc.</p> <p>Grain Milling Section containing Horizontal Atta</p>	1 set	72.19	72.19	September 10, 2023	November 20, 2023
					Sourced from: S. S. Milling And Engineering Co.	

Sr. No.	Particulars	Units to be purchased	Per Unit Price (₹lakhs)	Total Cost (₹lakhs)	Quotation reference	Validity of quotation
	<i>Chakki, MCF with buffer bins, Roller Mills, etc.</i> Manufactured by: S. S. Milling And Engineering Co.					
b)	<i>Packing Section Equipments & machines</i>	1 set	15.00	15.00		
c)	<i>Electrical Section including Panel, Wiring, PLC automation, Motors, Cable & cable tray, etc</i>	1 set	31.50	31.50		
d)	<i>Erection Materials viz., Iron & Steel, Tools & tackles, Hardware & Consumables etc</i>	1 set	6.50	6.50		
e)	<i>Other Accessories viz., Air Compressor, Plumbing etc</i>	1 set	18.00	18.00		
f)	<i>Mechanical & Electrical Installations and Engineering consultancy & Painting</i>	1 set	13.80	13.80		
	Technical Specifications:					
	Capacity: 50 tons/day					
3.	Wheat Silos:					
a)	<i>Wheat Silos 2 nos of the following capacity: Silo wheat capacity: 5,149 tonnes.</i> Manufactured by: Obial Steel Grain Silo Systems	1set	379.80 ^{%\$}	379.80 ^{%\$}	September 15, 2023	November 8, 2023
4.	Weighing Scale					
a)	<i>Fully PIT digital electronic weigh bridge and weighing machine</i> Manufactured by: M/s. Weightcom Industries	1set	9.75	9.75	September 15, 2023	Valid until withdrawn
5.	Electrical:					
a)	<i>Distribution Transformer 1250 KVA, 33/0.433 KV.</i> Commissioned by: Guru Teg Bahadur Metal Works	1set	18.20	18.20	October 25, 2023 Guru Teg Bahadur Metal Works	December 9, 2023
b)	<i>Servo Voltage Stabilizer 1250 KVA</i> Commissioned by: GTB Synergy	1set	17.60	17.60	October 25, 2023 GTB Synergy	December 9, 2023
	Total Cost			1,982.77		
	Transportation, Loading, Unloading, freight and clearance and insurance			80.96		
	18% GST applicable			163.57		
	Total Cost of Machinery			2,227.30		

[^] The cost of machinery is in US Dollar. The amount has been converted into Indian Rupees at the exchange rate of ₹ 84= 1 \$ prevailing for the purpose of this Red Herring Prospectus. There may be fluctuation in the exchange rate between the Indian Rupee and US Dollar and accordingly such transactions may affect the final funding requirements and deployment of the Net Proceeds.

[%] The cost of machinery is in Euro. The amount has been converted into Indian Rupees at the exchange rate of ₹ 93= 1 € prevailing for the purpose of this Red Herring Prospectus. There may be fluctuation in the exchange rate between the Indian Rupee and US Dollar and accordingly such transactions may affect the final funding requirements and deployment of the Net Proceeds.

⁵The amount included in the quotation may be subject to price revisions, basis, inter alia, prevailing market conditions, price of raw materials, increase in taxes/duties levied by governmental authorities. In case of an increase in quoted amount due to a price revision, our Company will bear the difference out of internal accruals.

d) Contingency

We have created a provision for contingency of ₹ 89.41 lakhs for the total project, which is approximately 2% of total project cost excluding the leasehold expense, to cover additional costs related to any contingent expenses such as fluctuation in exchange rates, difference in the actual costs of machinery due to exchange rate fluctuation, etc., taxes, levies and other contingent duties, as applicable, and any increase in the estimated cost of setting up the manufacturing unit. No second-hand machinery or material is proposed to be purchased out of the aforesaid Net Proceeds. The abovementioned plant and machinery, silos, weighing scale and electrification expenses are proposed to be acquired in a ready-to use condition. PFPL has not entered into any definitive agreements with the suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the machinery and material at the same costs. The quantity of the machinery and material to be purchased is based on the estimates of our management. PFPL shall have the flexibility to deploy the machinery and material at the proposed manufacturing unit, according to the business requirements of the same, which are dynamic and may evolve with the passage of time and based on the estimates of our management.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above.

e) Pre-operative Expenditure

The pre-operative expenditure as estimated by PFPL is ₹ 270.00 lakhs, which is approximately 5.00% of total project cost excluding the leasehold expense, to cover bank interest during the construction period, legal fees, professional fees to various consultants, related taxes and expenses.

f) Government and other Approvals

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

S. No.	Particulars of licenses	Tentative Time Period of application
1.	License under Food Safety and Standards Act, 2006	Before trial run of manufacturing unit
2.	Industrial Entrepreneurs Memorandum issued by Secretariat of Industrial Assistance, Ministry of Commerce & Industry, Government of India	Post execution of lease deed
3.	License to work a factory under Section 6(1) of the Factories Act, 1948	After Commissioning of manufacturing unit
4.	Consent to Establish under section 25 /26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	Before start of civil works
5.	Consent to operate under Section 25 / 26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	Before trial run of manufacturing unit
6.	Certificate of verification of weights and measures issued under the Legal Metrology Act, 2009	After Installation of weights, etc.
7.	License issued by Agricultural and Processed Food Products Export Development Authority	Before placement of orders
8.	EPCG License	Before import of plant and machinery
9.	Certificate of Exemption for Ground Water Withdrawal	Before digging of borewell
10.	Electricity - Industrial	Before trial run of manufacturing unit
11.	Building Plan Approval	After complete plan is ready
12.	Legal Entity Identification Number	Before Loan Documentation
13.	Udyam Aadhaar Registration	Post execution of lease deed

g) Proposed Schedule of Implementation

The proposed schedule of implementation is as follows:

Particular	Estimated month of	
	Commencement	Completion
Civil Works	October, 2023	May, 2024
Order of plant, machinery and equipment	October, 2023	December, 2023
Delivery of machineries	April, 2024	June, 2024
Installation and erection of machineries	May, 2024	September, 2024
Trial run	October, 2024	
Commercial production	November, 2024	

2. Funding purchase of machinery for manufacturing Chickpea Flour (Besan) and Roasted Gram Flour (Sattu) in our existing manufacturing unit in Ranchi

Our Company is engaged in the business of manufacturing high fibre Whole Wheat Atta (*Wheat Flour*), Refined Flour (*Maida*), Tandoori Atta and Semolina flour (*Sooji*) in our manufacturing unit situated in Ranchi. Our Company also commercialises the by-product and waste material, *i.e.*, wheat bran and other waste materials generated during our manufacturing process as cattle feed and fish feed, which makes our manufacturing unit a zero waste and zero discharge manufacturing unit. Our manufacturing unit is equipped with ultra-modern highly automated Buhler's Swiss Technology Pesa Mill for manufacturing of stoneless high fibre atta and also an ultra-modern highly automated Buhler's Swiss Technology Roller Flour Mill with installed capacity of 200 Tons per day. As of date of this Red Herring Prospectus, we also market and sell Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) under our brand '*Panchakanya*', however we procure these product from third party manufacturers. We propose to utilise a portion of the Net Proceeds of this Issue, towards funding purchase of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing manufacturing unit in Ranchi. Further, the purchase of plant and machinery is being undertaken in furtherance of our strategy to diversify our product portfolio. We intend to include Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing product portfolio. For further details, please see "*Our Business – Strategies*" on page 128.

Our Company foresees an increase in demand of the aforementioned products and in order to manufacture the said products in its manufacturing unit, and in order to tap the growing market, it intends to install machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing manufacturing unit in Ranchi. We confirm that none of the Plant & Machinery and ancillary equipment are second-hand in nature.

Plant Machinery, Technology and Process: The list of Plant and Machinery proposed to be purchased is detailed below:

Sr. No.	Particulars	Units to be purchased	Per Unit Price (₹lakhs)	Total Cost ⁵ (₹lakhs)	Quotation reference	Validity of quotation
1.	Chickpea Flour (<i>Besan</i>) Mill:					
a)	<i>Complete Set Cleaning Section including: Vibro Separator with Aspiration Channel, De-Stoner, Magnetic, De-Stoner, etc.</i> <i>Grain Milling Section including Pin Mills, Impact Pulverizer, Centrifugal Machines, etc.</i> Manufactured by: S. S. Milling And Engineering Co.	1 set	79.71	79.71	September 10, 2023	November 20, 2023
b)	<i>Mechanical & Electrical Installations and Engineering consultancy & Painting</i>	1set	38.50	38.50		
c)	<i>Erection Materials viz., Machine Drive System, V-belts, pulley, and anti vibration pads, Iron & Steel, Tools & tackles, Hardware & Consumables etc.</i>	1 set	16.25	16.25		
d)	<i>Other Accessories viz., Air Compressor, Plumbing, packing machine etc</i>	1 set	19.50	19.50		

Sr. No.	Particulars	Units to be purchased	Per Unit Price (₹lakhs)	Total Cost ⁵ (₹lakhs)	Quotation reference	Validity of quotation
	Total Machine cost		153.96	153.96		
	<i>Technical Specifications:</i>					
	Capacity: 10 tons/day					
2.	Roasted Gram Flour (Sattu) Mill:					
a)	<i>Complete Set Cleaning Section including: Vibro Separator with Aspiration Channel, De-Stoner, etc.</i> <i>Grinding, Seiving, Roasting and Cooling section, including roller mill, pin mill, plansifter, etc.</i> Manufactured by: S. S. Milling And Engineering Co.	1 set	83.53	83.53	September 10, 2023	November 20, 2023
	<i>Mechanical & Electrical Installations and Engineering consultancy & Painting</i>	1 set	31.50	31.50		
	<i>Erection Materials viz., Machine Drive System, V-belts, pulley, and anti vibration pads, Iron & Steel, Tools & tackles, Hardware & Consumables etc.</i>	1 set	11.25	11.25		
	<i>Packing machine</i>	1 set	10.00	10.00		
	Total Machine cost		136.28	136.28		
	<i>Technical Specifications:</i>					
	Capacity: 10 tons/day					
	Total Cost			290.24		
	Transportation, Loading, Unloading, freight and clearance and insurance			8.70		
	18% GST applicable			52.24		
	Contingencies (5%)			14.51		
	Total Cost of Machinery			365.70		

⁵The amount included in the quotation may be subject to price revisions, basis, inter alia, prevailing market conditions, price of raw materials, increase in taxes/duties levied by governmental authorities. In case of an increase in quoted amount due to a price revision, our Company will bear the difference out of internal accruals.

Means of Finance

Our Company proposes to meet the entire requirement of funds for this proposed Object of the Issue from the Net Proceeds and internal accruals. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

3. Funding the working capital requirements of our Company

Our Company proposes to utilise up to ₹ 250.00 lakhs from the Net Proceeds towards funding its working capital requirements in Fiscal 2023.

We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions and non-banking financial companies. Our Company requires additional working capital for funding future growth requirements of our Company. As of June 30, 2023, the aggregate amount sanctioned by the banks to our Company under the fund based working capital facilities amounted to ₹ 2,787 lakhs on a standalone basis. For details of the working capital facilities availed by us, see “Financial Indebtedness” on page 208.

Basis of estimation of working capital requirement

The details of the working capital as March 31, 2021, March 31, 2022 and March 31, 2023 and the source of funding derived from the standalone financial statements of the Company as certified by our Statutory Auditor through their certificate dated October 7, 2023 are provided in the table below. On the basis of the existing and estimated working capital requirement of the Company on a standalone basis, and assumptions for such working capital requirements for Fiscals 2024 and 2025 as provided by the Company are set forth below:

(₹ lakhs)

S. No.	Particulars	As at March 31, 2021 (Actual-Restated)	As at March 31, 2022 (Actual-Restated)	As at March 31, 2023 (Actual-Restated)	As at March 31, 2024 (Estimated)	As at March 31, 2025 (Estimated)
(A)	Current assets					
(a)	Inventories	510.68	1,688.02	2,447.25	2,838.64	2,932.42
(b)	Financial assets					
	(i) Trade receivables	993.61	966.13	1,194.15	1,096.44	1,132.99
(c)	Cash and Bank Balance	9.37	119.46	437.96	180.00	180.00
(d)	Short term loans & advances			-	-	-
(e)	Other Current Assets	75.11	148.19	198.63	200.00	200.00
	Total current assets (A)	1,588.77	2,921.80	4,277.99	4,315.08	4,445.41
(B)	Current liabilities					
(a)	Financial liabilities					
	(i) Trade payables	353.27	351.83	620.26	377.26	389.84
(b)	Provisions, other current liabilities and current tax liabilities (net)	83.70	152.91	220.11	250.00	250.00
	Total current liabilities (B)	436.97	504.74	840.37	627.26	639.84
(C)	Total working capital requirements (C = A – B)	1,151.80	2,417.06	3,437.62	3,687.82	3,805.57
(D)	Funding pattern					
(a)	IPO proceeds	-	-	-	250.00	
(b)	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting) or internal accruals	1,151.80	2,417.06	3,437.62	3,437.82	3,805.57
	Total	1,151.80	2,417.06	3,437.62	3,687.82	3,805.57

Note: Pursuant to the certificate dated October 7, 2023, issued by the Statutory Auditor.

Our Company shall also fund the incremental working capital requirements by availing loan facilities.

Our Board of Directors pursuant to its resolution dated September 18, 2023 has approved the estimated working capital requirements of our Company.

Assumptions for the estimated working capital requirements:

Particulars	Holding Level for year/period ended				
	March 31, 2021 (Actual-Restated)	March 31, 2022 (Actual-Restated)	March 31, 2023 (Actual-Restated)	March 31, 2024 (Estimated)	March 31, 2025 (Estimated)
Inventories	17	63	45	60	60
Trade Receivables	34	36	23	23	23
Trade Payables	12	13	12	9	9

Key assumptions for working capital requirements

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

S. No.	Particulars	Assumptions
Current Assets		
1	Trade Receivables	The Company's general credit terms vary across geographies and type of customer. We expect Debtors Holding days to be around 23 days for FY 2024 and FY 2025 as compared to 23 days in FY 2023, 36 days in FY 2022 and 34 days in FY 2021.

S. No.	Particulars	Assumptions
2	Inventories	Inventory levels are maintained by the Company depending upon the crop season and availability. We have assumed Inventories turnover days to be around 60 days for FY 2024 and FY 2025 as compared to 45 days in FY 2023, 63 days in FY 2022 and 17 days in FY 2021.
Current Liabilities		
1	Trade Payables	We expect the creditors' payments days be around 9 days for FY 2024 and FY 2025 as compared to 12 days in FY 2023, 13 days in FY 2022 and 12 days in FY 2021.

The rationale for the increase in working capital requirements of the Company for the past three financial years and estimated period

The increase in working capital requirements of the Company for the last three financial years and the estimated period is mainly due to the increase in inventory levels. While there is no significant change in the amount of trade receivables and trade payables, the holding period of inventory has significantly increased from 17 days in FY 2021 to 63 days in FY 2022 and 45 days in FY 2023. The assumption for FY 2024 and 2025 is 60 days considering the current scenario.

The Ukraine Russia conflict which started on February 2022 has significantly impacted the supply and pricing of wheat globally. Ukraine and Russia are large suppliers of wheat to the world and their conflict impacted the supply of wheat which made the wheat market unstable with limited supply and rise in prices. The Company had to increase their inventory of wheat to ensure uninterrupted functioning of plant. This led to high inventory levels for FY 2022 but it also led to full-fledged running of the plant in FY 2023 with significant increase in turnover and profitability.

Further in FY 2023 the Government of India has also delayed the sale of wheat under the Open Market Sale Scheme through Food Corporation of India. There was no sale till January 2023 which has also resulted into maintaining the high holding period of wheat for FY 2023.

In FY 2024, the Government of India has started sale of very nominal quantity i.e. 400 tons per month under the Open Market Sale Scheme. However, this is a very small quantity when compared to the requirements of the Company. Moreover, high import duty on wheat has also impacted the import of wheat into India.

The above factors have together impacted both the supply and pricing of wheat. The Company expects supply constraints with high prices to continue in near future. Hence the holding period of inventory for FY 2024 and 2025 have also been estimated at 60 days.

4. Prepayment or repayment of all or a portion of certain unsecured loans availed by our Company

Our Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by our Company include, *inter alia*, unsecured loans, term loans and working capital facilities. For further details, please refer "*Financial Indebtedness*" on page 208.

As at June 30, 2023, our total outstanding unsecured borrowings amounted to ₹ 759.12 lakhs. Our Company proposes to utilise an estimated amount of up to ₹ 200.00 lakhs from the Net Proceeds towards pre- payment or scheduled repayment of all or a portion of certain unsecured loans availed by our Company.

We believe that the pre-payment or scheduled repayment will help reduce our existing borrowings, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

The following table provides details of loans and facilities as at August 31, 2023, which are proposed to be pre-paid or partly or fully repaid by our Company from the Net Proceeds:

Sr. No	Name of the lender	Outstanding Unsecured loans as on August 31, 2023 (₹ in lakhs)	*Purpose of availing unsecured loans	Interest rate (%) p.a.	Repayment Terms
1.	Baba Agro Food Limited	638.82	Working Capital	8.00	Repayable on demand
	Total	638.82			

*Certified by the Statutory Auditor, by way of their certificate dated September 9, 2023.

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposes availed, our Company has obtained the requisite certificate dated September 9, 2023 for the loans to be prepaid by our Company.

For further details in relation to our borrowings, please see “*Financial Indebtedness*” on page 208.

Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals or out of the Net Proceeds as may be decided by our Company.

Given the nature of the above-mentioned borrowing and the terms of repayment, the aggregate outstanding borrowing amounts which we propose to repay may vary from time to time. In light of the above, if at the time of filing this Red Herring Prospectus or after that date, the above – mentioned loan may be repaid in part or full or refinanced and our Company may also avail additional borrowings and/or draw down further funds under existing loans from time to time. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, will not exceed ₹ 200.00 lakhs. Accordingly, the table above shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Company.

In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid, repaid, redeemed (earlier or scheduled), refinanced or further drawn down prior to the completion of the Issue, we may utilize Net Proceeds towards prepayment and/or repayment of such additional indebtedness availed by us, details of which shall be provided in the Red Herring Prospectus.

5. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] lakhs 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 ₹ [●] lakhs. 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 ⁽¹⁾ (in ₹ lakhs)	As a % of the total estimated Issue expenses ⁽¹⁾	As a % of the total Gross Issue Proceeds ⁽¹⁾
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	[●]	[●]	[●]

Expenses	Estimated expenses ⁽¹⁾ (in ₹ lakhs)	As a % of the total estimated Issue expenses ⁽¹⁾	As a % of the total Gross Issue Proceeds ⁽¹⁾
Printing and distribution of issue stationery	[●]	[●]	[●]
Others			
- Listing fees	[●]	[●]	[●]
- SEBI and NSE processing fees	[●]	[●]	[●]
- Book Building software fees	[●]	[●]	[●]
- Other regulatory expenses	[●]	[●]	[●]
- Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

*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.

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, 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

Except for repayment of unsecured loans availed from our Group Company, Baba Agro Food Limited from the Net Proceeds, 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

The Price Band, Floor Price and Issue Price will be determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10/- and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

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 121, 27, 172, 210 and 207, 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:

- Diversified Product Basket
- Strong brand recall and established track record
- Existing client and supplier relationships
- Quality Assurance and Quality Control of our products
- Strategically located manufacturing facilities with modern infrastructure and integrated manufacturing facilities with a core focus on quality
- Cost efficient sourcing and locational advantage
- Well experienced management team with proven project management and implementation skills

For further details, see “Our Business –Strengths” on page 128.

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 172.

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, 2023	4.20	4.20	3
March 31, 2022	4.19	4.19	2
March 31, 2021	4.13	4.13	1
Weighted Average	4.18	4.18	6
Three months period ended June 30, 2023*	1.60	1.60	-

*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 Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)*	P/E at the Cap Price (number of times)*
Based on basic EPS for Fiscal 2023	[●]	[●]

Based on diluted EPS for Fiscal 2023	[●]	[●]
--------------------------------------	-----	-----

*Will be included in the Prospectus

Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	30.62
Lowest	30.62
Average	30.62

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) P/E Ratio has been computed based on the closing market price of equity shares on NSE on September 8, 2023, divided by the diluted EPS.
- (3) 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 Stock Exchanges.

III. Return on Networth (“RoNW”)

Fiscal Year ended	RoNW (%)	Weight
March 31, 2023	20.14%	3
March 31, 2022	10.08%	2
March 31, 2021	12.02%	1
Weighted Average	15.43%	
Three months period ended June 30, 2023*	7.14%	

*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, 2023	22.44
As on March 31, 2023	20.83
After the Completion of the Issue:	
- At Floor Price	[●]
- At Cap Price	[●]
- At Issue Price ⁽²⁾	[●]

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 Book Building 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 and 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.

Following is the comparison with our peer company listed in India:

Name of the company	Consolidated/ Standalone	Face value (₹ per share)^	Closing price on September 8, 2023 (₹ per share)	Revenue from Operations (₹ in Lakhs)	EPS (₹)		NAV (₹ per share)	P/E Ratio	RoNW (%)	PAT margin (%)	Market cap to Revenue from operation
					Basic	Diluted					
Baba Food Processing (India) Limited*	Consolidated	10	N.A.	18,953.95	4.20	4.20	20.83	[●]#	20.14%	2.65%	[●]#
PEER GROUP											
Megastar Foods Ltd	Consolidated	10	308.60	30,420.31	10.08	10.08	46.07	30.62	21.88%	3.31%	1.01

*Financial information for our Company is derived from the Restated Financial Statements as at and for the Fiscal 2023.

^As on September 8, 2023

#Will be updated in the Prospectus.

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

Notes for peer group:

1. P/E Ratio has been computed based on the closing market price of equity shares on BSE on September 8, 2023 divided by the Basic EPS as at March 31, 2023.
2. Return on Net Worth (%) = Profit for the year ended March 31, 2023 divided by Total Equity of the Company as on March 31, 2023.
3. NAV is computed as the Total Equity of the Company as on March 31, 2023 divided by the outstanding number of equity shares as on March 31, 2023.
4. Market capitalisation to revenue from operations has been calculated as market capitalisation of the Company as on September 8, 2023 divided by revenue from operations for Fiscal 2023.
5. Market capitalisation of the Company as on September 8, 2023 is the product of equity shares outstanding as on September 8, 2023 and closing market price as on September 8, 2023.

The trading price of the Equity Shares could decline due to the factors mentioned in the section “Risk Factors” on page 27 and any other factors that may arise in the future and you may lose all or part of your investments.

KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 8, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. Sumit Mohit & Company, Chartered Accountants, by their certificate dated September 9, 2023.

The KPIs of our Company have been disclosed in the sections “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” starting on pages 121 and 210, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 6.

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, 2023 [#]	March 31, 2023 [#]	March 31, 2022 [#]	March 31, 2021 [#]
Revenue from Operations	4,134.63	18,953.95	9,711.10	10,655.10
EBITDA ⁽¹⁾	380.9	1,107.52	533.48	572.15
EBITDA Margin ⁽²⁾⁽³⁾	9.20%	5.84%	5.47%	5.31%
Profit After Tax for the Year / Period	192.29	503.44	201.26	198.14
PAT Margin ⁽⁴⁾	4.65%	2.65%	2.06%	1.84%
ROE ^{(5)*}	7.14%	20.14%	10.08%	12.02%
ROCE ^{(6)*}	5.47%	15.81%	8.41%	10.46%
Net Debt/ EBITDA ⁽⁷⁾	8.37	2.55	4.96	4.05

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

[#]As certified by the Statutory Auditor vide their certificate dated September 9, 2023.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated September 8, 2023.

Explanation for the Key Performance Indicators

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

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

Explanation for KPI metrics

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

KPI	Explanations
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 the Key Performance Indicators with our listed peers:

(₹ in lakhs) (As on March 31, 2023)

Key Performance Indicators	Megastar Foods Ltd#
Revenue from Operations	30,420.31
EBITDA ⁽¹⁾	2,184.74
EBITDA Margin ⁽³⁾	7.18%
Profit After Tax for the Year	1,008.20
PAT Margin ⁽⁴⁾	3.31%
ROE ⁽⁵⁾	21.88%
ROCE ⁽²⁾⁽⁶⁾	18.66%
Net Debt/ EBITDA ⁽¹⁾⁽⁷⁾	2.46

Source: Annual Reports of the company / www.bseindia.com and www.nseindia.com

As certified by the Statutory Auditor vide their certificate dated September 9, 2023.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated September 8, 2023.

Explanation for the Key Performance Indicators

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

OPERATIONAL KPIs OF THE COMPANY:

Particulars	For the Year ended on March 31		
	2023	2022	2021
Capacity Utilisation			
Installed Capacity (MTPA)	72,000	72,000	72,000
Actual Production (MTPA)	56,126.82	41,844.23	43,972.82
Capacity Utilization (In %)	77.95%	58.12%	61.07%
Contribution to revenue from operations of top 5 / 10 customers			
Top 5 Customers (%)	16.05%	20.10%	19.32%
Top 10 Customers (%)	21.74%	27.53%	26.53%

Explanation for KPI metrics

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

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

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

WEIGHTED AVERAGE COST OF ACQUISITION:

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

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

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

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 Red Herring 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;**

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

- d) **Weighted average cost of acquisition, floor price and cap price:**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price (₹[•])	Cap Price (₹[•])
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	N.A.	N.A.	N.A.

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price (₹[●])	Cap Price (₹[●])
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoters / promoter group entities or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our 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.	N.A.	N.A.	N.A.
Since there were no secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Red Herring Prospectus, which are equal to or more than 5% of the fully diluted paid-up share capital of our Company, the information has been disclosed for price per share of our Company based on the last five secondary transactions where promoters / promoter group entities or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction.	N.A.	N.A.	N.A.

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 2023, 2022 and 2021.
[●]*

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

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLM, on the basis of market demand from investors for Equity Shares through the Book Building 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 27, 121, 210 and 172 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 27 and you may lose all or part of your investment.

STATEMENT OF POSSIBLE SPECIAL 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

Baba Food Processing (India) Limited

6th Floor, Home Decor Building, Opposite Durga Mandir, Ratu Road,
Ranchi G.P.O., Ranchi – 834 001, Jharkhand, India.

Subject: Statement of Possible Special Tax Benefits Available to the Company and its shareholders prepared in accordance with the requirements under Schedule VI-PART A, Clause (9) (L) of the SEBI (ICDR) Regulations, 2018, as amended (the "Regulations")

We hereby report that the enclosed annexure prepared by Baba Food Processing (India) Limited, states the possible special tax benefits available to Baba Food Processing (India) Limited (the "**Company**") and the shareholders of the Company and Panchakanya Foods Private Limited, the wholly owned subsidiary of the Company, under the Income Tax Act, 1961 ("**Act**"), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders or its Subsidiary to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders and its Subsidiary, so it does not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (the "**Issue**") by the Company.

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

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

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

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Red Herring Prospectus/ Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Sumit Mohit & Company

Chartered Accountants

Firm's Registration No: 021502N

Peer review Certificate No. 012907

CA Sumit Garg

Partner

Membership No: 506945

UDIN: 23506945BGUWDD9484

Place: Delhi

Date: September 9, 2023

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

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

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

C. SPECIAL TAX BENEFITS TO THE SUBSIDIARY

The Subsidiary is 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 V – ABOUT THE COMPANY

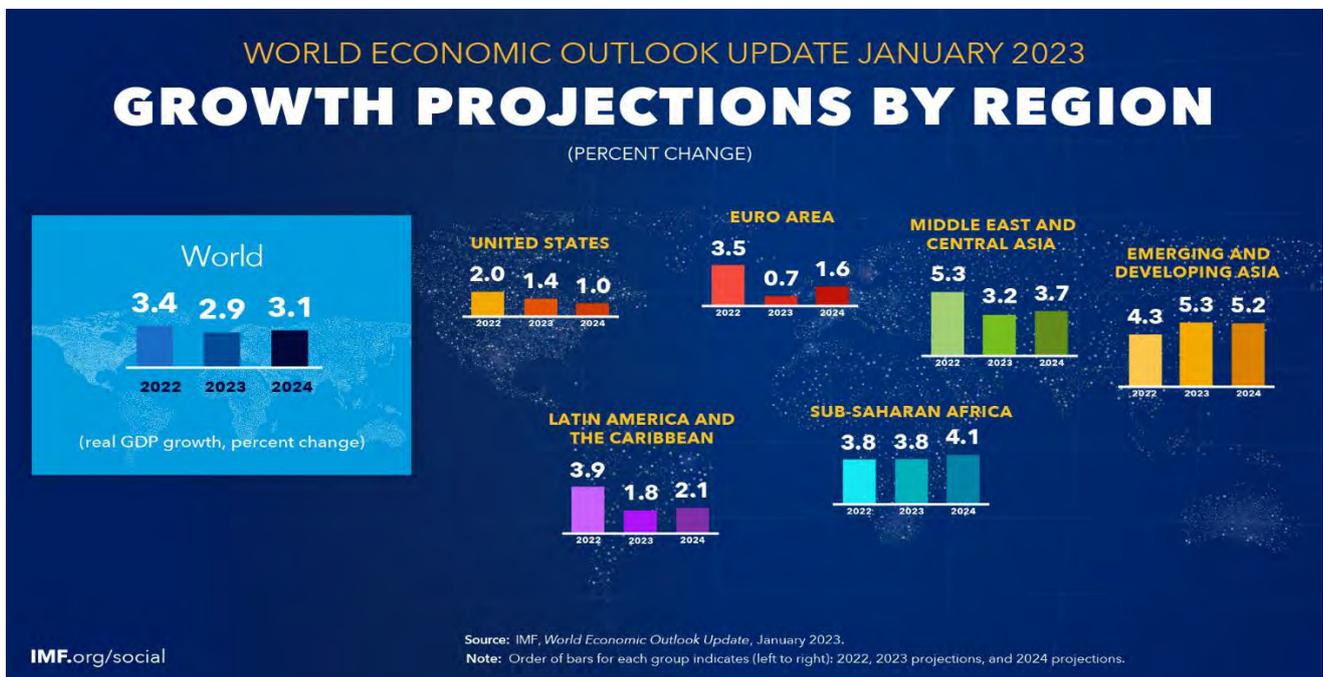
INDUSTRY OVERVIEW

GLOBAL ECONOMY

Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000–19) average of 3.8 percent. The rise in central bank rates to fight inflation and Russia’s war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.

The balance of risks remains tilted to the downside, but adverse risks have moderated since the October 2022 WEO. On the upside, a stronger boost from pent-up demand in numerous economies or a faster fall in inflation is plausible. On the downside, severe health outcomes in China could hold back the recovery, Russia’s war in Ukraine could escalate, and tighter global financing conditions could worsen debt distress. Financial markets could also suddenly reprice in response to adverse inflation news, while further geopolitical fragmentation could hamper economic progress.

In most economies, amid the cost-of-living crisis, the priority remains to achieve sustained disinflation. With tighter monetary conditions and lower growth potentially affecting financial and debt stability, it is necessary to deploy macroprudential tools and strengthen debt restructuring frameworks. Accelerating COVID-19 vaccinations in China would safeguard the recovery, with positive cross-border spillovers. Fiscal support should be better targeted at those most affected by elevated food and energy prices, and broad-based fiscal relief measures should be withdrawn.



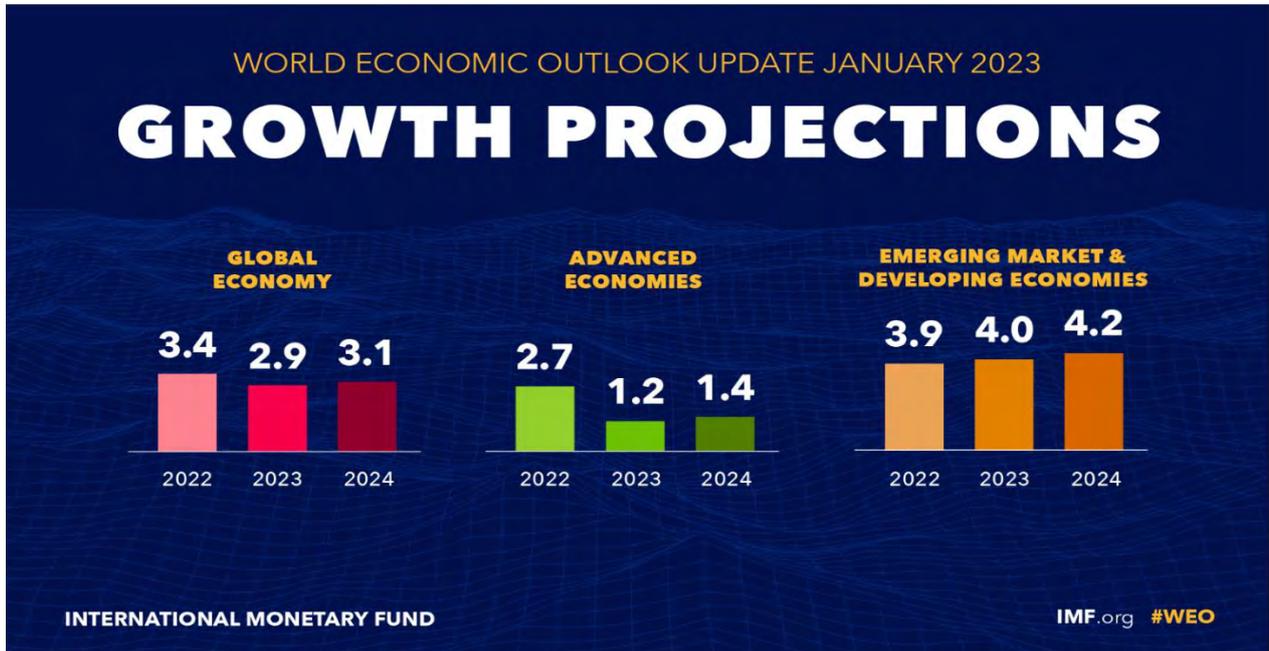
Emerging Market and Developing Economies

For emerging market and developing economies, growth is projected to rise modestly, from 3.9 percent in 2022 to 4.0 percent in 2023 and 4.2 percent in 2024, with an upward revision of 0.3 percentage point for 2023 and a downward revision of 0.1 percentage point for 2024. About half of emerging market and developing economies have lower growth in 2023 than in 2022.

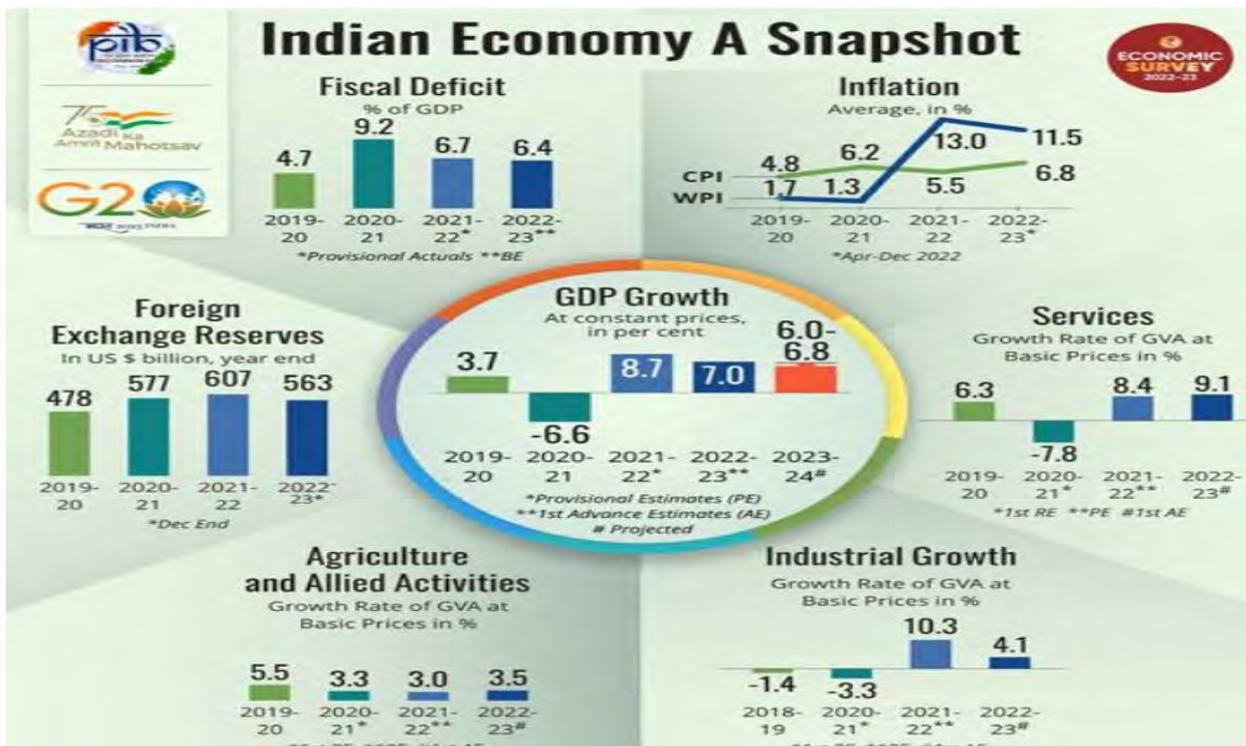
Growth in emerging and developing Asia is expected to rise in 2023 and 2024 to 5.3 percent and 5.2 percent, respectively, after the deeper-than-expected slowdown in 2022 to 4.3 percent attributable to China’s economy. China’s real GDP slowdown in the fourth quarter of 2022 implies a 0.2 percentage point downgrade for 2022 growth to 3.0 percent—the first time in more than 40 years with China’s growth is below the global average. Growth in China is projected to rise to

5.2 percent in 2023, reflecting rapidly improving mobility, and to fall to 4.5 percent in 2024 before settling at below 4 percent over the medium term amid declining business dynamism and slow progress on structural reforms. Growth in India is set to decline from 6.8 percent in 2022 to 6.1 percent in 2023 before picking up to 6.8 percent in 2024, with resilient domestic demand despite external headwinds. Growth in the ASEAN-5 countries (Indonesia, Malaysia, Philippines, Singapore, and Thailand) is similarly projected to slow to 4.3 percent in 2023 and then pick up to 4.7 percent in 2024.

Src: <https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023>



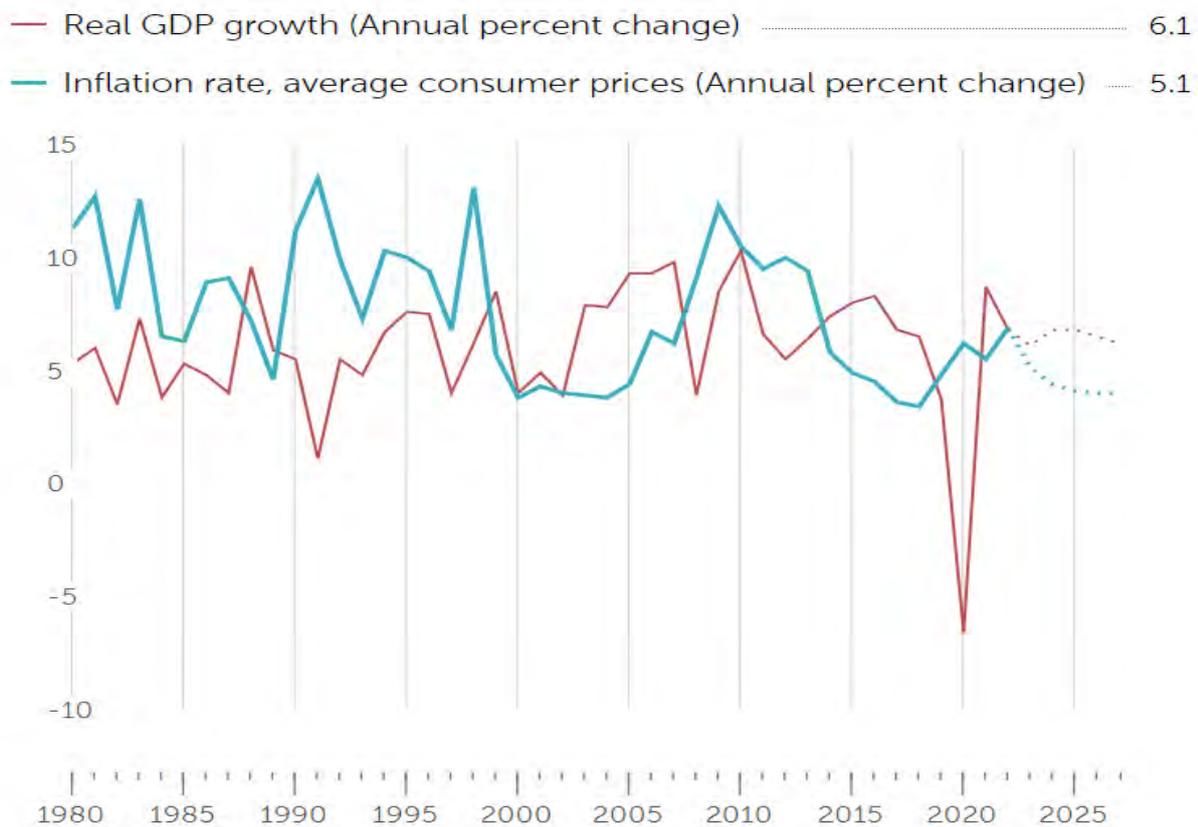
OVERVIEW OF THE INDIAN ECONOMY



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

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

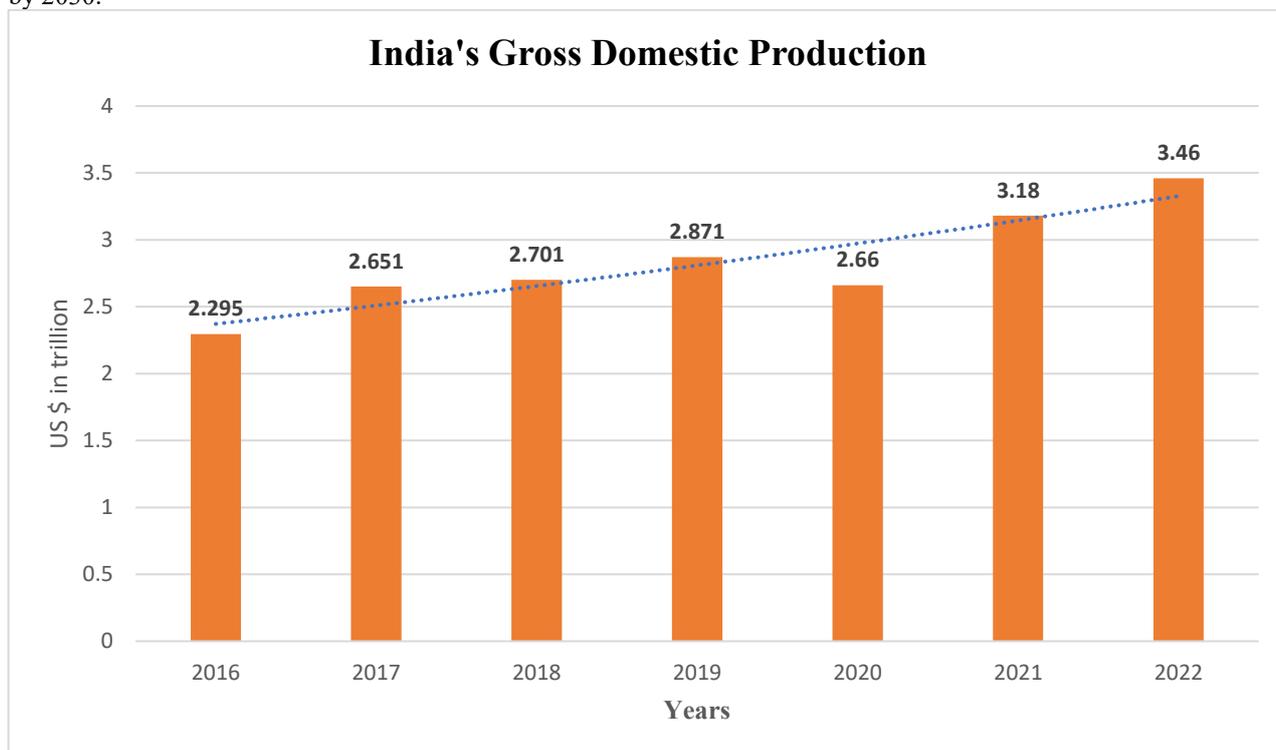
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.



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

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

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 Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food, Public Distribution, and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.



Road Ahead

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

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

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

INDIAN FMCG INDUSTRY

The fast-moving consumer goods (FMCG) sector is India's fourth-largest sector and has been expanding at a healthy rate over the years as a result of rising disposable income, a rising youth population, and rising brand awareness among consumers. With household and personal care accounting for 50% of FMCG sales in India, the industry is an important contributor to India's GDP.

India is a country that no FMCG player can afford to ignore due to its middle-class population which is larger than the total population of the USA. The Indian FMCG market continues to rise as more people start to move up the economic

ladder and the benefits of economic progress become accessible to the general public. More crucially, with a median age of just 27, India's population is becoming more consumerist due to rising ambitions. This has been further aided by government initiatives to increase financial inclusion and establish social safety nets.

Growing awareness, easier access, and changing lifestyles have been the key growth drivers for the sector. The urban segment (which accounts for a revenue share of around 55%) is the largest contributor to the overall revenue generated by the FMCG sector in India. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared to urban India. Semi-urban and rural segments are growing at a rapid pace and FMCG products account for 50% of the total rural spending.

FMCG giants such as Johnson & Johnson, Himalaya, Hindustan Unilever, ITC, Lakmé, and other companies (that have dominated the Indian market for decades) are now competing with D2C-focused start-ups such as Mamaearth, The Moms Co., Bey Bee, Azah, Nua and Pee Safe. Market giants such as Revlon and Lotus took ~20 years to reach the Rs. 100 crore (US\$ 13.4 million) revenue mark, while new-age D2C brands such as Mamaearth and Sugar took four and eight years, respectively, to achieve that milestone.

Advertising volumes on television recorded healthy growth in the July-September quarter, registering 461 million seconds of advertising, which is the highest in 2021. FMCG continued to maintain its leadership position with a 29% growth in ad volumes against the same period in 2019. Even the e-commerce sector showed a healthy 26% jump over 2020.

Rural consumption has increased, led by a combination of increasing income and higher aspiration levels. There is an increased demand for branded products in rural India. On the other hand, with the share of the unorganized market in the FMCG sector falling, the organized sector growth is expected to rise with an increased level of brand consciousness, augmented by the growth in modern retail. Another major factor propelling the demand for food services in India is the growing youth population, primarily in urban regions. India has a large base of young consumers who form the majority of the workforce, and due to time constraints, barely get time for cooking. Online portals are expected to play a key role for companies trying to enter the hinterlands. The Internet has contributed in a big way, facilitating a cheaper and more convenient mode to increase a company's reach. The number of internet users in India is likely to reach 1 billion by 2025. It is estimated that 40% of all FMCG consumption in India will be made online by 2020. E-commerce share of total FMCG sales is expected to increase by 11% by 2030. It is estimated that India will gain US\$ 15 billion a year by implementing GST. GST and demonetization are expected to drive demand, both in the rural and urban areas and economic growth in a structured manner in the long term and improved the performance of companies within the sector.

INDIAN FOOD PROCESSING INDUSTRY

Food and grocery market in India is the sixth-largest in the world. Food processing industry contributes 32% to this food market and is also one of the largest industries in the country, contributing 13% to total export and six% of industrial investment.

The Indian food processing industry is expected to reach US\$ 535 billion by 2025-26 on the back of government initiatives such as planned infrastructure worth US\$ 1 trillion and Pradhan Mantri Kisan Sampada Yojna.

The cold chain infrastructure created by 356 completed cold chain projects until August 2022, were the following:

- 10.2 lakh MT of Cold Storage, Controlled Atmosphere (CA)/Modified Atmosphere (MA) Storage and Deep Freezer.
- 345.65 MT per hour of Individual Quick Freezing (IQF).
- 153.14 Lakh Litres Per Day (LLPD) Milk Processing/Storage.
- 1785 reefer vehicles.

Of the total 41 mega food parks that were sanctioned, 22 mega food parks are operational, as of December 2022.

In July 2022, PM Formalisation of Micro food processing Enterprises (PMFME) scheme was launched for providing financial, technical and business support for setting up/ upgradation of micro food processing enterprises in the country with an outlay of Rs. 10,000 crore (US\$ 1.27 billion).

Milk production in the country is expected to increase to 208 MT in FY21 from 198 MT in FY20, registering a growth of 10% y-o-y. Milk processing capacity is expected to double from 53.5 MMT to 108 MMT by 2025.

The food processing industry employs about 1.77 million people.

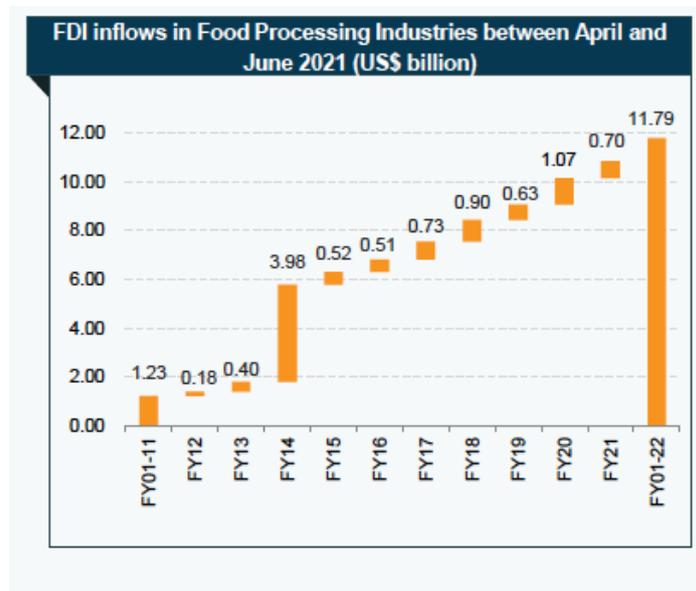
According to National Accounts Division, Ministry of Statistics and Programme Implementation, food processing units in India is growing at 7.68% annually.

With a budget of US\$ 1.46 billion, the ‘Production-Linked Incentive Scheme for Food Processing Industry (PLISFPI)’ has been approved to develop global food manufacturing champions commensurate with India's natural resource endowment and to support Indian food brands in international markets.

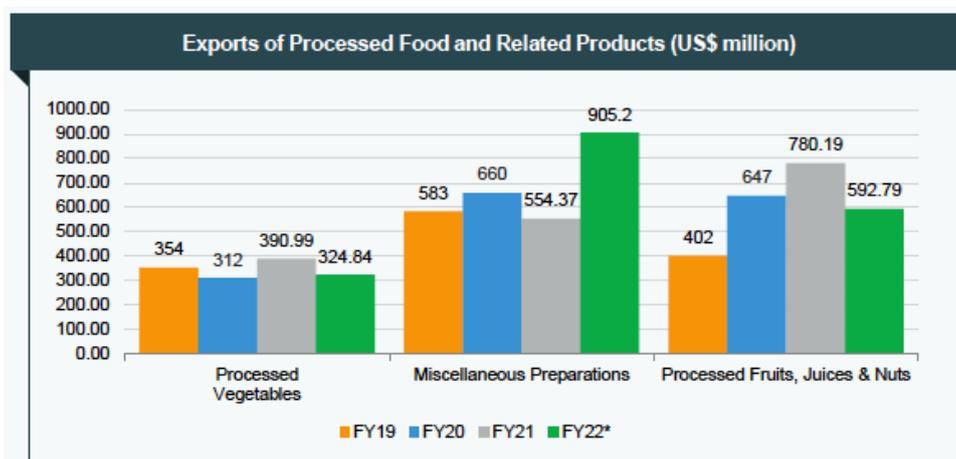
In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.

Requirement of cold chain		
Component	Existing Capacity	Approximate Requirement
Integrated Pack Houses	250 numbers	70,000 numbers
Reefer Trucks	< 10,000 numbers	62,000 numbers
Cold store (Bulk & distribution hubs)	32 million tonnes	35 million tonnes
Ripening Chambers	800 numbers	9000 numbers

Sales of processed food in the domestic market have been increasing at a faster pace. The Indian food processing market is expected to be worth US\$ 535 billion by 2025, with a CAGR of 15.2%. The food processing sector employs the most people, accounting for 20.05 lakh or 12.32% of total employment. The food processing sector allows 100% FDI under the automatic route. The sector has also recorded a sharp increase in investments with cumulative FDI inflow of US\$ 11.795 billion between April 2000- December 2022. This accounts for 1.88% of total FDI inflows received across industries. The processed food market in India was valued Rs. 1,931,288.7 crore (US\$ 263 billion) in FY20. The Comprehensive Economic Partnership Agreement (CEPA) between India and the UAE will strengthen India's food processing industry. In April 2021, the Government of India approved a PLI scheme for the food processing sector with an incentive outlay of Rs. 10,900 crore (US\$ 1.48 billion) over a period of six years starting from FY22. In September 2021, PepsiCo commissioned its Rs. 814 crore (US\$ 109.56 million) Kosi Kalan foods facility in Mathura, Uttar Pradesh; it is the company's largest greenfield manufacturing investment in India.



Export of processed food and related products



Overall APEDA product exports climbed to US\$ 19.7 billion in April-December 2022, up from US\$ 17.5 billion in the previous fiscal year. APEDA has set an export target of US\$ 23.6 billion for the agricultural and processed food products basket for the fiscal year 2022-23, with the export of US\$ 19.69 billion already reached in the first nine months of the current fiscal year. India exported key processed food products such as pulses, processed vegetables, processed fruits and juices, groundnuts, guar gum, cereal preparations, milled products, alcoholic beverages and oil meals. The export of products under the Ready to Eat (RTE), Ready to Cook (RTC), and Ready to Serve (RTS) segments have registered a CAGR of 10.4% from 2011-12 to 2020-21. India exported more than US\$ 2.14 billion worth of final food products in 2020-21. The major destination of RTE export in 2020-21 data is the U.S.A, U.A.E, and Nepal. The major exporting destination for RTC export in 2020-21 are U.S.A, Malaysia, and U.A.E.

Food processing segments and private players



Strategies adopted

Rising business and product innovation

- India's food service market is expected to reach US\$ 79.65 billion by 2028, growing at a CAGR of 11.19% from US\$ 41.1 billion in 2022.
- The government is promoting the use of drones in agriculture by providing financial assistance through the 'Sub-Mission on Agriculture Mechanization.
- Government aims to make India a global hub for 'Shree Anna', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.
- National Agriculture Market (eNAM) is a pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities. Integration of APMCs across the country through a common online market platform to facilitate pan-India trade in agriculture commodities, providing better price discovery through transparent auction process based on quality of produce along with timely online payment.

Research

- As per the Union Budget 2023-24, government aims to make India a global hub for 'Shree Anna', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.
- Agriculture Accelerator Fund to be set-up to encourage agri-startups by young entrepreneurs in rural area.

Low-cost price strategy

- Low-cost price strategy is adopted so as to make the product affordable to consumers by guaranteeing them value for money. For example, to penetrate deeper into the Indian households Kissan adopted a low cost price strategy also known as penetration pricing strategy to make its products affordable and attractive to the consumers by giving them value for money.
- The demand for processed foods in India is constrained by low income and sociocultural factors.

- Government has set up a special fund called the Food Processing Fund (FPF) of approximately US\$ 265 million in the National Bank for Agriculture and Rural Development (NABARD) for extending affordable credit to designated food parks and food processing enterprises in the designated food parks.

Growth drivers of Indian agriculture

Demand-side drivers

- Rapid population expansion in India is the main factor driving the industry.
- Changing lifestyle and food habits due to increased disposable income
- The demand for processed foods in India is constrained by low income and socio-cultural factors.

Supply-side drivers

- According to the Center for Environment and Agriculture (CENTEGRO) and Crop Care Federation of India (CCFI), India can become the 'global agricultural hub' for other countries, which have harsh weather, scarce labour and lands, and are seeking to outsource their agriculture.
- High level of agricultural production - large livestock base, wide variety of crops, inland water bodies and a long coastline, help increase marine production.
- Bringing Green Revolution to Eastern India (BGREI)

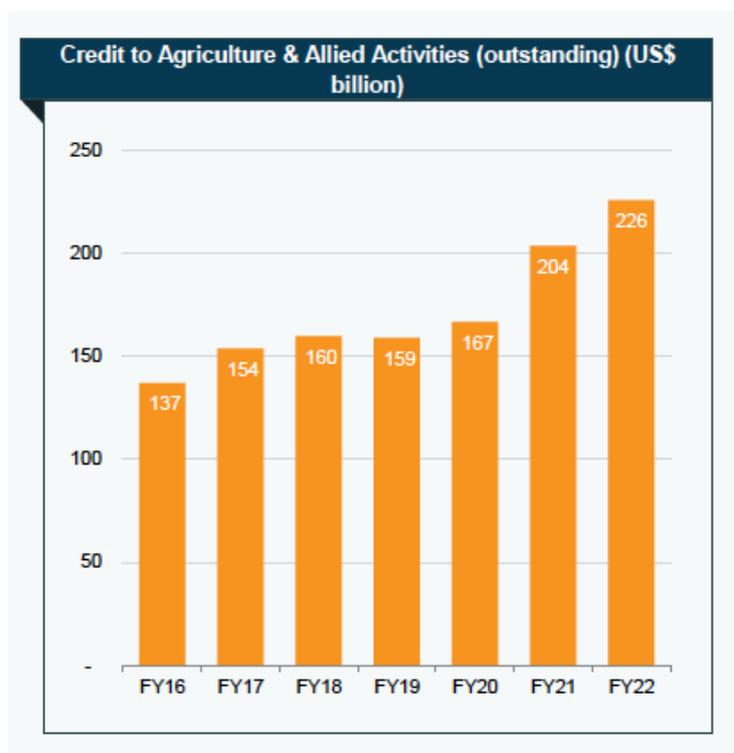
Policy support

- A new sub-scheme of PM Matsya Sampada Yojana with targeted investment of Rs. 6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.
- Online, Competitive, Transparent Bidding System with 1.74 crore farmers and 2.39 lakh traders put in place under the National Agriculture Market (e-NAM) Scheme.

Institutional credit and investments on a rise

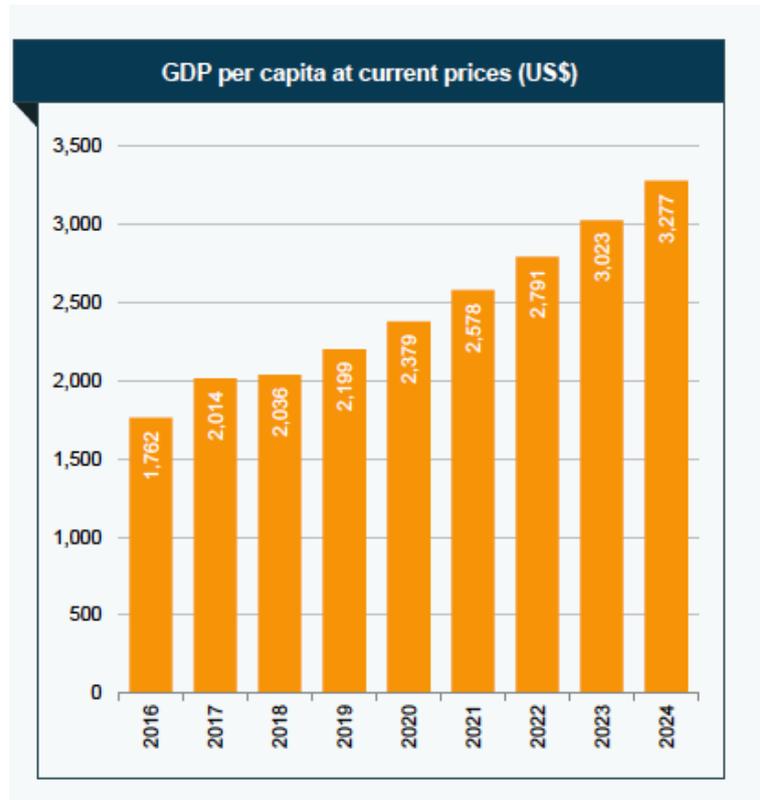
- The performance of the agriculture and allied sector has been buoyant over the past several years, much of which is on account of the measures taken by the government to augment crop and livestock productivity, ensure certainty of returns to the farmers through price support, promote crop diversification, improve market infrastructure through the impetus provided for the setting up of farmer-producer organizations and promotion of investment in infrastructure facilities through the Agriculture Infrastructure Fund.
- Private investment in agriculture increased to 9.3% in 2020-21.
- Institutional Credit to the Agricultural Sector continued to grow to Rs. US\$ 226 billion (18.6 lakh crore) in 2021-22.
- US\$ 1.66 billion (Rs. 13,681 crore) sanctioned for Post-Harvest Support and Community Farms under the Agriculture Infrastructure Fund.
- Free foodgrains to about 81.4 crore beneficiaries under the National Food Security Act for one year from January 1, 2023.
- The Centre has granted permission to five private companies to conduct cluster farming of specified horticulture crops on approximately 50,000 hectares on a trial basis, with a total investment of US\$ 91.75 million (Rs. 750 crore). The five companies chosen through a bidding process for the pilot cluster farming program are Prasad Seeds, FIL Industries, Sahyadri Farms, Meghalaya Basin Management Agency.

- 27,003 Loans have been sanctioned in the country under credit linked subsidy component of the PM Formalisation of Micro Food Processing Enterprises Scheme (PMFME).



Rising income and growing middle class to drive demand for processed food

- Strong growth in per capita income has resulted in greater demand for food items.
- Per capita GDP of India is expected to reach US\$ 3,277 in 2024 from US\$ 2,036 in 2018.
- India's food processing sector has been one of the key sectors, which is growing due to its response to the changing demographics and lifestyle, affordable workforce availability, free availability of raw materials, and is boosted by growth in export opportunities and government advocacy to develop food manufacturing. Since India's processing sector is the world's biggest with to food production, supply and processing, backed by conducive conditions, its output can touch US\$ 535 billion by 2025-26, while generating jobs to the tune of 9 million by 2024. Hence, other than the processing industry, packaged and ready-to-eat (RTE) food too is poised to see a huge boom.
- The growth in these sectors are also propelled by the pandemic, hike in expendable income leading to increasing appetites for discretionary spends on branded items including processed food items, a rejuvenated retail sector and state sponsorship.



Favourable policies are supporting the sector growth

1

Agriculture Export Policy, 2018

- New export policy was cleared by the Government of India in December 2018.
- Targets increasing India's agricultural export to over US\$ 60 billion by 2022.

2

Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan)

- Prime Minister of India launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan) Benefits under the PM Kisan plan have been delivered to about 11.78 crore farmers as of February 22nd 2022, and Rs. 1.82 lakh crore (US\$ 23.97 billion) have been released to qualified recipients across India in various payments.

3

Pradhan Mantri Annadata Aay SanraksHan Abhiyan' (PM-AASHA)

- Pradhan Mantri Annadata Aay SanraksHan Abhiyan' (PM-AASHA) is an umbrella scheme to ensure minimum support price (MSP) to farmers. It comprises the previous price support scheme (PSS), with few modifications and introduction of new schemes, including price deficiency payment scheme (PDPS) and pilot of private procurement and stockist scheme (PPSS).

4

Pradhan Mantri Krishi Sinchai Yojana (PMKSY)

- As per the Union Budget 2021-22, Rs. 11,588 crore (US\$ 1.5 billion) was allocated to Pradhan Mantri Krishi Sinchai Yojana (PMKSY).

5

Model Contract Farming & Services Act 2018

- In May 2018, the Government finalised the Model Contract Act to include all services in the agriculture value chain under its ambit along with contract farming activity. The act has laid special emphasis on protecting farmers' rights in the country.

6

Pradhan Mantri Kisan Maan-Dhan Yojana (PM-KMY)

- A minimum fixed pension of Rs. 3,000 (US\$ 42.92) will be provided to eligible small and marginal farmers on attaining the age of 60 years, subject to certain exclusion clauses.
- The beneficiary is required to make a monthly contribution between Rs. 55 to Rs. 200 (US\$ 0.78 to 2.86) to the Pension Fund depending on the age of entry into the scheme and a provision of equal contribution by the Central Government.

7

Dairy Sahakar scheme

- In October 2021, the Union Minister of Home Affairs and Cooperation launched the 'Dairy Sahakar' scheme in Anand, Gujarat.
- Under the scheme, financial support will be extended by the National Cooperative Development Corporation (NCDC) to eligible cooperatives for activities, such as bovine development, milk procurement, processing, quality assurance, value addition, branding, packaging, marketing, transportation and storage of milk and milk products. Exports of dairy products within the comprehensive objectives of 'Doubling the farmers income' and 'Atmanirbhar Bharat' will also be covered.
- The scheme with a total investment of Rs. 5,000 crore (US\$ 667.26 million) will be implemented by NCDC under the Ministry of Cooperation.

8

Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PM FME)

- Outlay of Rs. 10,000 crore (US\$ 1.34 billion) over a period of five years from FY21 to FY25.
- The sector has been assigned a priority status for bank credit.
- Implemented in 707 districts for 35 states and union territories
- 60 Agri Export Zones (AEZ) have been set up across the country.
- 11 banks are official lending partners under this scheme

9

APMC farmers go cashless

- The Electronic National Agriculture Market (e-NAM), which was launched in April 2016 to create a unified national market for agricultural commodities by networking existing APMCs. It had 16.9 million farmers and 157,778 traders registered on its platform until February 2021. Over 1,000 mandis in India are already linked to e-NAM and 22,000 additional mandis are expected to be linked by 2021-22.

10

Digital Agriculture Mission

- The Indian government has initiated Digital Agriculture Mission for 2021-25 for agriculture projects based on new technologies such as artificial intelligence, block chain, remote sensing and GIS technology, drones, robots and others.

11	Krishi UDAN 2.0	<ul style="list-style-type: none"> Ministry of Civil Aviation launched the Krishi UDAN 2.0 scheme in October 2021. The scheme proposes assistance and incentive for movement of agri-produce by air transportation. The Krishi UDAN 2.0 will be implemented at 53 airports across the country largely focusing on Northeast and tribal regions and is expected to benefit farmers, freight forwarders and airlines.
12	Focus on infrastructure	<ul style="list-style-type: none"> The sector has been assigned a priority status for bank credit. 60 Agri Export Zones (AEZ) have been set up across the country. Between FY15-20, around 1303 cold storages with 45 lakh tonnes have been established. In May 2020, Government announced the launch of animal husbandry infrastructure development fund of Rs. 15,000 crore (US\$ 2.13 billion).
13	National Mission on Food Processing	<ul style="list-style-type: none"> Ministry of Food Processing Industries (MOFPI) launched a new centrally sponsored scheme (CSS), National Mission on Food Processing, to promote facilities for post-harvest operations, including setting up of food processing industries in India. In Union Budget 2019-20, the Government announced to spend Rs. 110 crore (US\$ 15.74 million) in Union Territories only.
14	Agricultural Pump Power Policy	<ul style="list-style-type: none"> Announced in December 2020. As of March 2021, a total of 582,114 farmers in Maharashtra have paid the arrears of agricultural pump electricity bills amounting to Rs. 511.26 crore (US\$ 63.37 million).
15	Pradhan Mantri Fasal Bima Yojana (PMFBY)	<ul style="list-style-type: none"> Aims to support sustainable production in agriculture by providing financial support to farmers who have incurred crop losses/damages due to unforeseen events. This will help stabilise the income of farmers, ensure continuance in farming, encourage them to adopt innovative and modern agricultural practices and ensure flow of credit to the agriculture sector.
16	Paramparagat Krishi Vikas Yojana (PKVY)	<ul style="list-style-type: none"> An extended component of Soil Health Management (SHM) under the Centrally Sponsored Scheme (CSS), National Mission on Sustainable Agriculture (NMSA). PKVY aims at supporting and promoting organic farming, in turn resulting in improvement of soil health.
17	National Agriculture Market (e-NAM) Scheme	<ul style="list-style-type: none"> National Agriculture Market (eNAM) is a pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities. Integration of APMCs across the country through a common online market platform to facilitate pan-India trade in agriculture commodities, providing better price discovery through transparent auction process based on quality of produce along with timely online payment.
18	PM Matsya Sampada Yojana	<ul style="list-style-type: none"> PM Matsya Sampada Yojana with targeted investment of Rs.6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.
19	Soil Health Card Scheme	<ul style="list-style-type: none"> This scheme has been introduced to assist State Governments to issue Soil Health Cards to all farmers in the country. The Soil Health Cards provide information to farmers on nutrient status of their soil along with recommendation on appropriate dosage of nutrients to be applied for improving soil health and its fertility.
20	Pradhan Mantri Fasal Bima Yojana (PMFBY) & Restructured Weather Based Crop Insurance Scheme (RWBCIS)	<ul style="list-style-type: none"> These schemes aim to provide comprehensive crop insurance coverage from pre-sowing to post harvest losses against non-preventable natural risks. These schemes are only risk mitigation tools available to farmers at extremely low premium rates payable by farmers.

Highlights of Union Budget 2023-24

- Agriculture Accelerator Fund to be set-up to encourage agri-startups by young entrepreneurs in rural area. which will aim at bringing innovative and affordable solutions for challenges faced by farmers. It will also bring in modern technologies to transform agricultural practices, increase productivity and profitability.
- To make India a global hub for 'Shree Anna', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.

- Rs. 20 lakh crore (US\$ 24.41 billion) agricultural credit targeted at animal husbandry, dairy and fisheries.
- A new sub-scheme of PM Matsya Sampada Yojana with targeted investment of Rs. 6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.
- Massive decentralised storage capacity to be set up to help farmers store their produce and realize remunerative prices through sale at appropriate times.
- Computerisation of 63,000 Primary Agricultural Credit Societies (PACS) with an investment of Rs. 2,516 crore (US\$ 305.9 million) initiated.
- Digital Public Infrastructure for Agriculture: agriculture will be built as an open source, open standard and interoperable public good. this will enable inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for growth of agritech industry and start-ups.
- To enhance the productivity of extra-long staple cotton, Government will adopt a cluster-based and value chain approach through Public Private Partnerships (PPP). This will mean collaboration between farmers, state and industry for input supplies, extension services, and market linkages.

***Source:** 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 19 of this Red Herring 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 27. 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 107 of this Red Herring Prospectus . Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12-month period ended March 31 of that year.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “Restated Financial Information”, included in this Red Herring Prospectus on page 172.

OVERVIEW

Our Company was incorporated on April 22, 2015, as ‘Baba Food Processing (India) Private Limited’, a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, Jharkhand at Ranchi. Subsequently, pursuant to a resolution passed by the Shareholders in an Extra-Ordinary General Meeting held on May 27, 2023, our Company was converted from a private limited company to a public limited company and a fresh certificate of incorporated dated July 20, 2023 was issued by the Registrar of Companies, Jharkhand at Ranchi. Consequent to the conversion of our Company, the name of our Company was changed to ‘Baba Food Processing (India) Limited’.

Our Company is primarily engaged in the business of manufacturing high fibre Whole Wheat Atta (*Wheat Flour*), Refined Flour (*Maida*), Tandoori Atta and Semolina flour (*Sooji*). Our manufacturing unit is situated in Ranchi and houses two divisions namely, high fibre whole wheat atta division and refined flour division. Our Company manufactures high fibre Whole Wheat Atta (*Wheat Flour*) in our whole wheat atta division and Refined Flour (*Maida*), Tandori Atta, Semolina flour(*Sooji*) in our refined flour division. We also commercialise the by-product and waste material, *i.e.*, wheat bran and other waste materials generated during our manufacturing process as cattle feed and fish feed, which makes our manufacturing unit a zero waste and zero discharge manufacturing unit. Our manufacturing unit is equipped with ultra-modern highly automated Buhler’s Swiss Technology Pesa Mill for manufacturing of stoneless high fibre atta and also an ultra-modern highly automated Buhler’s Swiss Technology Roller Flour Mill with installed capacity of 200 Tons per day. We also market and sell Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) under our brand ‘Panchakanya’, however we procure these product from third party manufacturers. We propose to utilise a portion of the Net Proceeds of this Issue, towards purchase of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing manufacturing unit.

Our Company operates under the guidance of our Promoter, Yogesh Kumar Sahu, who has a long standing experience in the agro trading and milling business. Our Promoter prior to incorporation of our Company was associated with a partnership firm under the name ‘M/s. Baba Flour Mill’, in the capacity of a partner, which was engaged in the business of trading of agro-commodities and milling of rice and grains. During the year 2015, our Promoter incorporated our Company and in the year 2016, we set up an ultra-modern highly automated Buhler’s Swiss Technology PesaMill for manufacturing of stoneless high fibre atta. Subsequently, our Company launched its brands under the name “Panchakanya” and “Bhajan” for marketing and selling of Whole Wheat Atta. During the year 2018, our Company expanded its product portfolio by setting up an ultra-modern highly automated Buhler’s Swiss Technology Roller Flour Mill for manufacturing of Refined Flour (*Maida*), Tandori Atta, Semolina flour (*Sooji*) in the same manufacturing unit. As of date of this Red Herring Prospectus, our Company markets and sells in products in Jharkhand, Odisha and West Bengal, however, our Company is proposing to expand its business operations in India by setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna and expand its market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region, Odisha and Jharkhand. Therefore, our Company has incorporated its wholly-owned subsidiary under the name Panchakanya Foods Private Limited, pursuant to a certificate of incorporation dated April 5, 2023 issued by the Registrar of Company, Central Registration Centre. Our Company proposes to invest a portion of the Net Proceeds of this Issue amount to ₹ 2,029.88 lakhs in our Subsidiary for setting up the aforementioned manufacturing unit and expanding our market base.

Our Company has a diversified marketing network through which it markets and sells its products. Our customer/distributor base is divided into five categories namely, institutional manufacturers, modern traders, dealers, wholesalers and retailers. Our customer base and marketing network has been described below:

- *Institutional manufacturers:* The sale of our products to institutional manufacturers constitutes our business to business (B2B) model, wherein our Company processes and/or supplies refined flour, semolina flour as per the specifications of renowned FMCG companies and food processing companies as per their specifications. We also supply our products to FMCG companies and food processing companies who have purchased the franchise offered by renowned FMCG companies. We also process wheat flour, refined flour, semolina flour and/or bran on a job work basis for certain institutional manufacturers. Our products are used as a raw material by the institutional manufacturers and are used to manufacture finished products such as biscuits, rusk and bakery products. Our customers in this segment are renowned FMCG companies and food processing companies who have purchased the franchise offered by renowned FMCG companies, such as, ITC Limited, Parle Products, Anmol Industries Limited, Moreish, etc. Our Subsidiary, Panchakanya Foods Private Limited has received a letter of intent dated July 31, 2023 from Britannia Industries Limited wherein supply of 50-100 MT Refined Flour (*Maida*) per day by our Subsidiary to Britannia Industries Limited has been contemplated, subject to compliance of certain terms which may be mutually decided by the parties.
- *Modern traders:* We sell our products to local customers through new age supermarkets such as 'Reliance SMART' and 'JIO Mart' located in Jharkhand. Supermarkets nowadays provide one-stop shopping solutions to customers with a promise of providing superior quality products. Therefore, by offering our products to new age supermarkets, we have easily become the household brand for wheat and refined flour. The supermarkets are available at various locations in a city and are frequented by our targeted customers. Supermarkets offer value proposition rewards to shoppers for bigger purchases and also deliver superior quality products, which makes it easy to position our brands and products in the target markets.
- *Dealers:* We have established a widespread dealer base in Jharkhand and Odisha through which we sell our products to local retailers. Our dealers have an established marketing network which we have utilized to create a market presence in Jharkhand and for penetrating the local markets of the aforementioned areas. We have entered into formal agreements with majority of our dealers and offer them a mutually agreed upon profit margin on the goods which are distributed by them. Our dealer network has enabled us in establishing our brand presence thereby creating a significant customer base in Jharkhand and Odisha. We sell all our products using our dealer network.
- *Wholesalers:* Our Company has established its presence in Jharkhand, Odisha and West Bengal for marketing and selling our products directly to wholesalers and large retailers. The sales and marketing team of our Company has enabled us to create a separate marketing vertical wherein we directly sell our products to locally renowned wholesalers and large scale retailers. Our marketing initiatives have enabled us in creating a brand presence outside of Jharkhand and expand our customer base to Odisha and West Bengal.
- *Retailers:* Our Company supplies all our products directly to local retailers in Jharkhand. Our arrangements with local retailers complement our marketing initiatives and have helped us become a household brand. We directly sell our products to local retailers without involving any intermediaries, which ensures a higher profit margin and higher revenue share. Our local retailers also enable us to deliver quality products to our customers, by regularly providing us customer feedback for our products. During the three month period ended June 30, 2023, revenue earned from local retailers account for 38.04% of the total revenue earned by our Company.

We believe that we have established our brand as the preferred home consumption brand for wheat flour and refined flour. We have a successful track record which has enabled us to develop an effective business model with stringent control over processes, including raw material procurement, manufacturing operations, inventory management and management of distribution logistics. We adhere to stringent product quality standards and closely track consumer preferences across segments from cross-section of markets. Our Company runs a zero wastage manufacturing unit, wherein waste material generated from our divisions is either sold or processed as cattle feed or fish feed. We further market and sell our by-product, wheat bran as animal feed and therefore commercialise our by-product as well as waste material. Further, leftover bags in which the raw material is packed and dispatched to us, are re-used by our Company in its manufacturing operations or for packing of finished products. However, if the aforementioned bags are torn or are unfit for reuse, we sell such bags to ensure effective waste management. Further, in relation to job work, our Company during the Fiscal 2023 had undertaken a single job-work transaction for National Co-operative Consumers Federation of India Limited, wherein our Company had undertaken conversion of wheat into whole wheat atta on job work basis. The aforementioned transaction has been recognised as 'job work' in our books of accounts. The commercialisation of our

waste material makes our manufacturing unit a zero wastage unit or a zero discharge unit. The revenue earned from the sale of our products, including by-products through modern traders, dealers, wholesalers and retailers under our key brands 'Panchakanya' and 'Bhajan' during the three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

Particulars	Three month period ended June 30, 2023		Fiscal					
			2023		2022		2021	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
Modern Traders	201.92	4.88%	346.31	1.83%	124.88	1.29%	55.82	0.52%
Dealers	804.39	19.45%	3,524.66	18.60%	2,205.79	22.71%	2,553.62	23.97%
Wholesalers	971.61	23.50%	4,580.77	24.17%	2,695.66	27.76%	2,847.25	26.72%
Retailers	1,573.00	38.04%	6,260.29	33.03%	3,442.96	35.45%	4,444.49	41.71%

Owing to our diversified marketing network and wide-spread intermediaries and sales forces, our Company has been able to penetrate the local markets of Jharkhand, Odisha and West Bengal. Our products and brands have become familiar names on account of our aggressive and innovate marketing techniques. Our Company regularly interacts with our customers and intermediaries to understand the satisfaction of the customers with the quality of our products. In order to maintain our brand presence, we have aggressively invested in our sales and marketing initiatives and increased our intermediary base. The expenses incurred by us in sales and marketing of our products during the three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

Three month period ended June 30, 2023		Fiscal					
		2023		2022		2021	
Expenses incurred in (₹ in lakhs)	% of total expenses	Expenses incurred in (₹ in lakhs)	% of total expenses	Expenses incurred in (₹ in lakhs)	% of total expenses	Expenses incurred in (₹ in lakhs)	% of total expenses
105.56	2.73	448.43	2.45	306.06	3.23	282.01	2.70

Since incorporation, it has been our Company's vision and focus to manufacture and supply superior quality products to our customers, which has enabled us to expand our business operations. 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 wheat analysis 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 institutions 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. In order to ensure delivery of utmost quality products to our customers, our Company on a periodic basis, engages FSSAI approved laboratories to carry out quality checks on its finished products, on a sample basis.

Our revenues from operations for the three months period ended June 30, 2023 and the Fiscals 2023, 2022 and 2021 were ₹ 4,134.63 lakhs, ₹ 18,953.95 lakhs, ₹ 9,711.10 lakhs and ₹ 10,655.10 lakhs, respectively. Our EBITDA for the three months period ended June 30, 2023 and the Fiscals 2023, 2022 and 2021 were ₹ 380.90 lakhs, ₹ 1,107.52 lakhs, ₹ 533.48 lakhs and ₹ 572.15 lakhs, respectively. Our profit after tax for the three months period ended June 30, 2023 and the Fiscals 2023, 2022 and 2021 was ₹ 192.29 lakhs, ₹ 503.44 lakhs, ₹ 201.26 lakhs and ₹ 198.14 lakhs, respectively. For further details, please refer to the section titled "Financial Information" on page 172 of this Red Herring Prospectus.

OUR COMPETITIVE STRENGTHS

Widespread distribution network and presence across various retail channels.

Our Company has invested in establishing processes, teams and technology to manage our distribution channels and retail presence. Our Company has a unique business model through which it markets and sells its products. Our customer/distributor base is divided into five categories namely, institutional manufactures, modern traders, dealers, wholesalers and retailers. A break up of the revenue earned by our Company through institutional manufactures, modern traders, dealers, wholesalers and retailers during the three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

Particulars	Three month period ended June 30, 2023		Fiscal					
			2023		2022		2021	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
Institutional Manufactures	489.19	11.83%	2,707.46	14.28%	1,241.81	12.79%	555.11	5.21%
Modern Traders	201.92	4.88%	346.31	1.83%	124.88	1.29%	55.82	0.52%
Dealers	804.39	19.45%	3,524.66	18.60%	2,205.79	22.71%	2,553.62	23.97%
Wholesalers	971.61	23.50%	4,580.77	24.17%	2,695.66	27.76%	2,847.25	26.72%
Retailers	1,573.00	38.04%	6,260.29	33.03%	3,442.96	35.45%	4,444.49	41.71%
Trading	94.52	2.29%	1,534.44	8.09%	-	0.00%	198.81	1.87%
Total	4,134.63	100.00	18,953.93	100.00	9,711.10	100.00	10,655.10	100.00

For further, details, please see “Our Business – Overview” on page 121.

Our Company has engaged number of dealers, wholesalers and retailers to ensure easy product availability to our customers, efficient supply chain, focused customer service and short turnaround times. Our sales and marketing team periodically reviews new products, assesses market trends and develops and builds business relations. Our long-standing dealer base is supported by an efficient sales team, leading the products to retailers and wholesalers in Jharkhand, West Bengal and Odisha, thereby making our products available on the shelf at all times, reducing dealer stock levels and increasing annual sales per dealer. The intermediaries in our distribution network remain in constant contact with our customers, which enables them to perceive the market requirement and the sentiment of customers towards our products. The intermediaries in our distribution network are the first point of contact for us and our sales and marketing teams remain in contact with the intermediaries to constantly improve our products and bring them in line with the requirements of our customers. Our sales and marketing team has a focused approach to creating brand awareness by targeting deeper penetration in small cities and towns for marketing of our products. We have deployed our team of sales professionals in Jharkhand and Odisha so that we can provide first hand guidance and assistance to our dealers across the nation. As a result of our widespread distribution network, significant operational experience and regular follow ups to gauge the customer’s demand, we believe that we have been able to identify market trends and personally connect with a large number of consumers, thereby gaining trust of our customers over the years.

Diversified Product Basket

Our diversified product portfolio includes a wide range of flour such as, Whole Wheat Atta (*Wheat Flour*), Refined Flour (*Maida*), Tandori Atta and Semolina flour (*Sooji*), thereby effectively addressing a large consumer base. We believe that our ability to identify market trends and develop quality products catering to the Indian consumers are significant factors that have contributed to the growth of our business.

Since incorporation, our Company has been diversifying its product portfolio. During the year 2016, our Company had set up an ultra-modern highly automated Buhler’s Swiss Technology Pesa Mill for manufacturing of stoneless high fibre atta. Subsequently, our Company launched its brands under the name “*Panchakanya*” and “*Bhajan*” for marketing and selling of Whole Wheat Atta. During the year 2018, our Company expanded its product portfolio by setting up an ultra-modern highly automated Buhler’s Swiss Technology Roller Flour Mill for manufacturing of Refined Flour (*Maida*), Tandori Atta, Semolina flour (*Sooji*) in the same manufacturing unit. We also market and sell Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) under our brand ‘*Panchakanya*’, however we procure these product from third party manufacturers. We propose to utilise a portion of the Net Proceeds of this Issue, towards purchase of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing manufacturing unit. Furthermore, our Company is proposing to expand its business operations in India by setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna and expand its market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region and Odisha. Therefore, our Company has incorporated its wholly-owned subsidiary under the name Panchakanya Foods Private Limited, pursuant to a certificate of incorporation dated April 5, 2023 issued by the Registrar of Company, Central Registration Centre. Our Company proposes to invest a portion of the Net Proceeds of this Issue amount to ₹ 2,029.88 lakhs in our Subsidiary for setting up the aforementioned manufacturing unit and expanding our market base.

Our capacity to continuously diversify and develop our products, effectively supported by our strategically located manufacturing and distribution network, enables us to launch and market new products aligned to evolving consumer preferences. This facilitates minimal time-to-scale, and has enabled us to generate significant revenues from each of our

products. A break up of the product-wise revenues earned by our Company during the three month period ended June 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

Name of Product	Three month period ended June 30, 2023		Fiscal					
			2023		2022		2021	
	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue	Revenue earned in (₹ in lakhs)	% of total revenue
Whole Wheat Atta (Wheat Flour)	1,382.52	33.44%	4,472.00	23.59%	2,817.74	29.02%	4,110.36	38.58%
Refine Flour (Maida)	1,488.73	36.01%	7,823.27	41.28%	4,223.24	43.49%	3,871.35	36.33%
Semolina flour (Sooji)	146.23	3.54%	774.20	4.08%	504.15	5.19%	437.16	4.10%
Tandori Atta	91.86	2.22%	426.13	2.25%	173.57	1.79%		0.00%
Wheat Bran (Choker)	846.60	20.48%	3,559.44	18.78%	1,938.03	19.96%	1,719.69	16.14%
Waste Dust	5.52	0.13%	19.56	0.10%	9.66	0.10%	10.09	0.09%
Trading Goods (Chickpea Flour (Besan) and Roasted Gram Flour (Sattu))	159.05	3.85%	1,815.25	9.58%	0.38	0.00%	504.10	4.73%
Waste Bags	14.12	0.34%	59.95	0.32%	44.33	0.46%	2.35	0.02%
Job Charges	-	0.00%	4.14	0.02%	-	0.00%	-	0.00%
Total	4,134.63	100.00%	18,953.94	100.00%	9,711.10	100.00%	10,655.10	100.00%



Owing to our wide range of products, our business and results of operations are less susceptible to price fluctuation or disruptions in market trends.

Strong brand recall and established track record.

The reputation and the quality of our products has enabled us to establish brand equity of the products marketed under our brand name “*Panchakanya*” and “*Bhajan*”. We have a track record of developing home-grown brands, leveraging our deep understanding and market research of the agro-commodity and food industry. Our products are marketed by our dealers, sales and marketing teams, retailers, wholesalers and modern traders. We believe that our brands enable us to better cater to the needs of our customers and increase the range and diversity of our products, leading to increased brand loyalty and repeat customers.

The food and agro-commodity industry is a fragmented and an unorganized industry in India and we intend to focus on creating a diverse portfolio of brands to gain higher market share from the unorganized segment. We also believe in enhancing brand visibility by expanding our distribution network and have taken certain initiatives towards achieving the same. We have been able to sustain the demand for our brands by offering a continuous flow of value added products. Our brands give us a broader platform to market our products to our customers. In addition, our presence has helped us in understanding the changing needs and demands of our customers. With constant improvement in performance of our products, augmented with quality and recognition of our brand, we believe that we enjoy considerable brand equity and reliability in the market.

Existing client and supplier relationships

We believe in constantly addressing the customer needs for variety of our products. Our existing relationships help us to get repeat business from our customers. 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. In order to ensure delivery of utmost quality products to our customers, our Company on a periodic basis, engages FSSAI approved laboratories to carry out quality checks on its finished products, on a sample basis.

Strategically located manufacturing facilities with modern infrastructure and integrated manufacturing facilities with a core focus on quality.

Our strategically located multi-product manufacturing unit manufactures products close to our customers and distribution networks and reduces our costs of transportation by manufacturing almost all our product under one roof, thereby giving us an advantage over our competitors. Our manufacturing unit is situated in Ranchi and houses two divisions namely, high fibre whole wheat atta division and refined flour division. Our Company manufactures high fibre Whole Wheat Atta (*Wheat Flour*) in our whole wheat atta division and Refined Flour (*Maida*), Tandori Atta, Semolina flour (*Sooji*) in our refined flour division. We also commercialise the waste material generated during manufacture of our products, which makes our manufacturing unit a zero waste and zero discharge manufacturing unit. Our manufacturing unit is equipped with ultra-modern highly automated Buhler’s Swiss Technology PesaMill for manufacturing of stoneless high fibre atta and also an ultra-modern highly automated Buhler’s Swiss Technology Roller Flour Mill with installed capacity of 200 Tons per day.



Refined Flour Mill



Wheat Mill



Storage facilities

Our investment in modern infrastructure and our ability to enhance capacity utilization in excess of installed capacities in manufacturing results into economies of scale. We manufacture multiple products under one roof in one of our

manufacturing unit, which results in cost savings in terms of shared overheads and resources across different product categories. It also reduces transportation costs and improves logistics management as our dealers can place orders for multiple products from one manufacturing facility resulting in single truck load delivery enabling them to replenish stocks at regular intervals. We propose to utilise a portion of the Net Proceeds of this Issue, towards purchase of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing manufacturing unit. Furthermore, our Company is proposing to expand its business operations in India by setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna and expand its market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region and Odisha. Therefore, our Company has incorporated its wholly-owned subsidiary under the name Panchakanya Foods Private Limited, pursuant to a certificate of incorporation dated April 5, 2023 issued by the Registrar of Company, Central Registration Centre. Our Company proposes to invest a portion of the Net Proceeds of this Issue amount to ₹ 2,029.88 lakhs in our Subsidiary for setting up the aforementioned manufacturing unit and expanding our market base.

Cost efficient sourcing and locational advantage

We believe that our cost efficient manufacturing and supply chain management results in a significant reduction in our operational costs. With our experience, we are able to time our procurement of raw materials and being a large player in the industry we are also able to source these materials at a competitive price. The location of our current manufacturing unit gives us a significant competitive cost advantage in terms of raw material sourcing, manufacturing and labour costs.

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 plastic industry. Our Promoter has 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 agro-commodity and food 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 154 of this Red Herring Prospectus.

OUR BUSINESS STRATEGIES

Setting up of an additional manufacturing unit to focus on the growing demand of our products

We have over the years increased our production capacities through consistent growth and innovation. During the year 2015, our Promoter incorporated our Company and in the year 2016 set up an ultra-modern highly automated Buhler’s Swiss Technology PesaMill for manufacturing of stoneless high fibre atta. During the year 2018, our Company expanded its product portfolio by setting up an ultra-modern highly automated Buhler’s Swiss Technology Roller Flour Mill for manufacturing of Refined Flour (*Maida*), Tandori Atta, Semolina flour (*Sooji*) in the same manufacturing unit. As of date of this Red Herring Prospectus, our Company markets and sells in products in Jharkhand, Odisha and West Bengal. Our Company is proposing to expand its business operations in India by setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna and expand its market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region and Odisha. Therefore, our Company has incorporated its wholly-owned subsidiary under the name Panchakanya Foods Private Limited, pursuant to a certificate of incorporation dated April 5, 2023 issued by the Registrar of Company, Central Registration Centre. Our Company proposes to invest a portion of the Net Proceeds of this Issue amount to ₹ 2,029.88 lakhs in our Subsidiary for setting up the aforementioned manufacturing unit and expanding our market base. We believe that our strong presence in the Indian market positions us well to capitalize on the anticipated growth in demand of our product. We intend to set up an additional manufacturing unit to cater to the increasing demand of our products, increase our geographic presence and increase our revenues and profit margins. The strategic decision to expand our manufacturing unit will increase our ability to cater to the expected increase in demand of our products.

Expand our existing product portfolio

We have, since our inception, consistently sought to diversify our product portfolio which could cater to customers across segments, sectors, and geographies. 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 propose to utilise a portion of the Net Proceeds of this Issue, towards funding of capital expenditure proposed to be incurred towards purchase of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our existing manufacturing unit. 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 an additional manufacturing unit in Patna, 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 in India by setting up an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill in Patna and expand its market and customer base to Bihar, West Bengal, Andhra Pradesh, North East Region and Odisha. Therefore, our Company has incorporated its wholly-owned subsidiary under the name Panchakanya Foods Private Limited, pursuant to a certificate of incorporation dated April 5, 2023 issued by the Registrar of Company, Central Registration Centre. Our Company proposes to invest a portion of the Net Proceeds of this Issue amount to ₹ 2,029.88 lakhs in our Subsidiary for setting up the aforementioned manufacturing unit and expanding our market base. The domestic market offers 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 by innovating value added products, as part of our strategy to widen growth prospects. We shall also continue to explore opportunities in different regions and countries abroad to enhance our geographical reach.

Strengthen our brand value and create awareness for our new products

The industry is seeing a shift in market share from the unorganised to the organised sector. We seek to capture a greater market share in this environment and it is important to invest in the brand to strengthen the top of the mind recall and consequently we shall continue to invest in our brands. Since the industry is highly unorganized, a good distribution network is essential in this industry. We are focusing on expanding on our distributorship network by opening new marketing offices or by way of appointment of new dealers, wholesalers and retailers, including smaller towns and rural areas.

Strengthen our marketing network

We continue to enhance our business operations by ensuring that our customer base increases through our marketing efforts. We believe that our ability to customize our products for the various applications by our customers can help us diversify our operations across different customer segments. 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.

Improving operational efficiencies

Our Company intends to improve efficiencies to achieve cost reductions so that they can be competitive. We believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions with

new range of products, will enable us to penetrate into new catchment areas within these regions and optimize our infrastructure. As a result, of these measures, our company will be able to increase its market share and profitability.

Leveraging our Market skills and Relationships

This is a continuous process in our organization and the skills that we impart in our people, gives importance to customers. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting orders in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.

Value proposition for consumers

We plan to grow our business primarily by growing the number of client relationships, as we believe that increased client relationships will add stability to our business. Our brand equity has increased over the years, driven by product innovation and cost efficiencies in our production and distribution operations, and offering superior value proposition for consumers, through a wide range of our products. We believe that the relatively high grammage and consequent value proposition that we offer to the price conscious middle-class Indian consumers who form a large proportion of the consumer market in India, has been an important factor in the growth and acceptance of our brand and our market share, particularly in the urban, semi-urban and rural markets in India. We seek to build on existing relationships and also focus on bringing into our portfolio more clients. Our Company believes that business is a by-product of relationship. Our Company believes that a long-term client relationship with large clients reap fruitful returns. Long-term relations are built on trust and continuous meeting with the requirements of the customers.

Penetration into global markets

We are looking forward to enter into global markets and we plan to target countries where we can leverage our track record and experience in India to compete effectively and expand our revenue base.

DETAILS OF OUR BUSINESS

PRODUCTS

Whole Wheat Atta

Processing of whole wheat high fibre Atta begins with picking the best-quality wheat grains, numerous quality checks, washing, and filtration ensure the cleanest wheat before stoneless grinding. Panchakanya & Bhajan whole wheat atta contains higher bran and fibre content and is perfect to be used for Chapatis, Naans, Paranthas, and Pooris. We pack and supply in various pack sizes viz., 1 kg, 5 kg, 10 kg, 30 kg and 50 kg.

Brand	Specification	Logo	Photo
Panchakanya Sharbati	Panchakanya Sharbati Whole Wheat Atta is made from highest grade premium quality Sharbati Wheat from fertile soil of Madhya Pradesh.		
Panchakanya Gold	Panchakanya Gold Whole Wheat Atta is made from handpicked highest grade premium quality 100% MP Wheat.		

Brand	Specification	Logo	Photo
Panchakanya Krishna	Panchakanya Krishna Whole Wheat Atta is made from highest grade premium quality Wheat from blend of MP & UP/Bihar		
Bhajan	Bhajan Whole Wheat Atta is made from High grade wheat of UP & Bihar		

Refined Wheat Flour

Refined Wheat Flour commonly known as Maida in India is a multi-purpose flour that contains substantial amount of Starchy Endosperm of wheat. We produce Maida by finely milling the best quality indigenous wheat. Maida is popular flour used for preparing a wide variety of mouth-melting Indian and International dishes and are used by numerous bakeries, retailers, hotels, restaurants, and packaged food item producers for manufacturing or preparation of breads like naan, roomali roti, bhature, poori, kulche, sandwich bread, pizza base. It is also used to manufacture baked items like cakes, biscuits, muffins, pancakes, snacks like samosa, bhajiya, jalebi, spaghetti, vermicelli, macaroni, pasta, etc. The protein content in flour plays a very important role when it comes to baking. The higher the protein content, the tougher and more elastic the dough will turn out to be. Flours like bakery and bread flours have a higher protein content compared to all purpose & biscuit flours. Sub-categories of refined flour manufactured by us are:

Bakery Maida: High Protein & High Gluten flour used for cake & bread

Biscuit Maida: Low protein and low gluten flour used for biscuits and cookies.

General Purpose Maida: High protein and gluten than biscuit but lower than bakery flour and is used for Indian snacks and sweets.

We market and sell refined wheat flour under our brand '*Panchakanya*'. Panchakanya Maida is available in 500 gms for direct consumers whereas Bhajan in 30 kgs to 50 kgs pack are available for bulk buyers.



Other products:

Particulars	Description
<p data-bbox="169 237 272 264">Semolina</p> 	<p data-bbox="783 237 1430 456">Sooji is also known as Semolina is coarse/granulated wheat extracted after the milling of whole wheat. It is widely used for preparing ready-to-eat food items. Semolina/Sooji with standardized granules is the perfect choice for cooking as it can be further blended into finer particles as per the choice. We produce superior quality Sooji which is the first choice of our consumers for making delicacies like upma, halwa, spaghetti, pasta, pudding, rusk, milk toasts, etc.</p>
<p data-bbox="169 667 312 694">Tandori Atta</p> 	<p data-bbox="783 667 1430 752">Tandori Atta is also obtained through the milling the wheat grain. Being Bran free it is majorly used with restaurants, hotels, Dhaba's for preparing Tandori roti, Naan, romali roti, khamiri roti <i>etc.</i></p>
<p data-bbox="169 1182 304 1209">Gram Besan</p> 	<p data-bbox="783 1182 1430 1348">Gram flour or besan is a chickpea is gluten free flour. It is a staple ingredient in the cuisine of the Indian subcontinent as well as most commonly used ingredients in Indian Kitchen for preparation of several Indian sweet, savory snacks, curries <i>etc.</i> We procure gram besan from third party manufactures. We market and sell gram besan under our brand '<i>Panchakanya</i>'.</p>

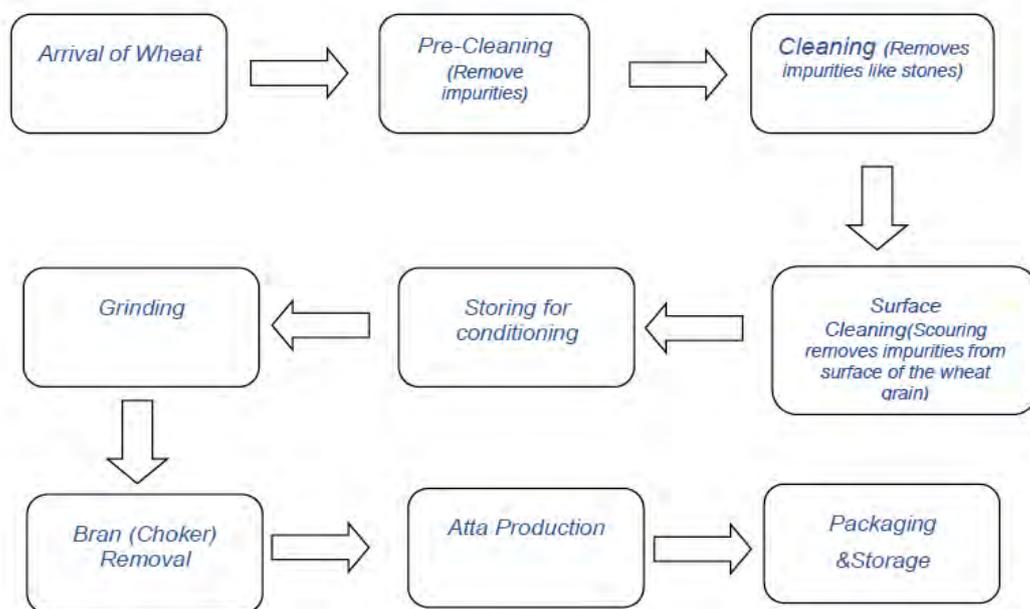
<p>Gram Sattu</p> 	<p>Sattu is a type of flour, mainly used in India, Tibet, and Pakistan. It consists of a mixture of roasted ground pulses and cereals. The dry powder is prepared in various ways as a principal or secondary ingredient of dishes. Sattu is used in vegetarian cuisine as it can be a source of protein. We procure gram sattu from third party manufactures. We market and sell gram sattu under our brand '<i>Panchakanya</i>'.</p>
<p>Wheat Bran</p> 	<p>Wheat Bran is the hard outer layer of wheat which is the byproduct of milling while the production of wheat products likes maida, sooji, and atta. Bran is the most nutritious part of the grains, particularly rich source of dietary fiber and essential fatty acids. Our 'Shree Bhajan' Wheat Bran available in pack sizes from 30 kgs to 50 kgs are highly demandable for cattle feed.</p>

MANUFACTURING PROCESS

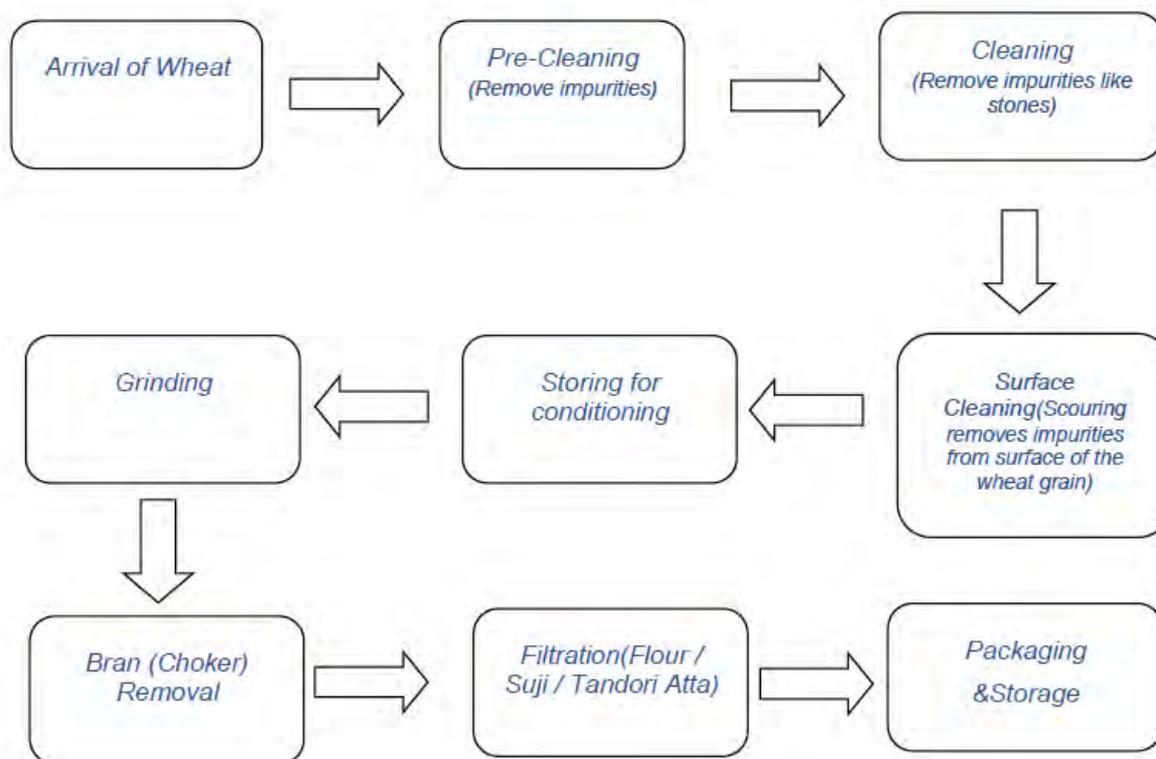
Raw material procurement

Our Company is engaged in the business of manufacturing high fibre Whole Wheat Atta, Refined Flour, Tandoori Atta and Semolina flour. We use wheat grain as the primary raw material for manufacturing all of our products. We procure wheat grain from Bihar, Uttar Pradesh, Madhya Pradesh and Rajasthan from traders and institutional suppliers.

PRODUCTION PROCESS WHOLE WHEAT ATTA MILLING



PRODUCTION PROCESS REFINED FLOUR MILLING



LIST OF MACHINERY

Following is the list of major machinery installed at our manufacturing unit:

List of machinery		Purpose	Owned / Leased
1	Pesa Mill Mdga	Whole Wheat Atta Grinding	Owned
2	Four Roller Mill Mddp	Refine Wheat Flour Grinding	Owned
3	Plansifter Arenit Mpav	Sieving of Atta & Refine Flour from Grinded Flour	Owned
4	Purifier Mqrf	Separation of Semolina	Owned
5	Packing Machines	For Packaging of Atta, Maida, Suji	Owned
6	Flat Bottom Silos	To Store Wheat	Owned
7	Topwhite II Vertical Whitener Bspb	To remove the upper layer of wheat before atta grinding	Owned
8	Dry Destoner Mtsc	To Remove Stones from Wheat	Owned
9	Impact Detacher Mjzf 51	To convert the rava/suji particles into powder form	Owned
10	Bran Finisher Mkla 45/110	Finalization of Wheat Bran	Owned
11	Drum Sieve Mkzm-9510	Pre- Cleaning of Wheat	Owned
12	Cleaning Machine Lkaa (Tas 152a-2)	Pre- Cleaning of Wheat	Owned
13	Sooji Dryer	To reduce the moisture of Semolina	Owned
14	Air Compressor	To produce air required for process line	Owned
15	Grain Feeder	To transfer grains from one process to another	Owned
16	Magnet	To remove any Iron particle from Wheat, Flour, Atta & Suji	Owned
17	Dampener Turbolizer Mozl-30/150	To mix water & wheat	Owned
18	Horizontal Scourer Mhxf-30/150, 30/60	To clean the surface of wheat	Owned
19	Differential Dosing Scale Msdg	To water dosing in wheat	Owned

List of machinery		Purpose	Owned / Leased
20	Automatic Flow Balancer Mzal	To weigh the products under process	Owned
21	Moisture Measuring Device Myfe 30	To measure the moisture in the products	Owned
22	Sieving Machine Mkzf	To sieving of atta	Owned
23	Impact Detacher Mjzh	To destroy eggs	Owned

As of date of this Red Herring Prospectus, our Company does not engage any contract labour.

REVENUE BREAK-UP

- a) A state-wise revenue breakup of the revenue earned from the sale of our products during the three month period ended June 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

(₹ in lakhs)

S. No.	State	Three month period ended June 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
1.	Jharkhand	3,261.91	15,160.54	6,595.32	6,458.46
2.	Odissa	799.92	3,183.94	2,713.08	4,026.25
3.	West Bengal	9.86	54.03	58.35	58.93
4.	Bihar	14.11	205.61	10.10	37.92
5.	UP	48.83	349.82	282.02	48.02
Total		4,134.63	18,953.95	9,658.88	10,629.58

- b) A detailed revenue breakup of our Company during the three month period ended June 30, 2023 and Fiscals 2023, 2022 and 2021 have been provided below:

(₹ in lakhs)

S. No.	Three month period ended June 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Operations	4,134.63	18,953.95	9,711.10	10,655.10
Other Income	4.12	10.22	45.20	114.45
Total	4,138.75	18,964.17	9,756.30	10,769.55

- c) The following is the revenue breakup of the top five and top ten customers of our Company during the three month period ended June 30, 2023 and Fiscals 2023, 2022 and 2021:

(₹ in lakhs)

Particulars	June 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%
Top five customers	697.19	16.86%	3,042.00	16.05%	1,952.28	20.10%	2,058.79	19.32%
Top ten customers	934.12	22.59%	4,119.89	21.74%	2,673.74	27.53%	2,826.76	26.53%

- d) The following is the breakup of expenditure incurred towards the top five and top ten suppliers of our Company during the three month period ended June 30, 2023 and Fiscals 2023, 2022 and 2021:

(₹ in lakhs)

Particulars	June 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%
Top five suppliers	2,041.35	47.41%	6,347.69	38.26%	2,027.82	22.59%	1,750.47	20.40%
Top ten suppliers	2,494.02	57.92%	8,622.94	51.98%	3,006.28	33.49%	2,517.63	29.34%

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 August 31, 2023 has been provided below:

Sr. No.	Division / Department	Number of Employee
1.	Key Management	3
2.	Office & Plant Administration	25
3.	Commercial & Logistics	8
4.	Sales & Marketing	9
5.	Dispatch	13
6.	Finance & Accounts	5
7.	Plant, Lab & Store	23
	Total	85

UTILITIES

Power

The electricity for our manufacturing unit is sourced from Jharkhand Bijli Vitran Nigam Limited.

Water

Our processing unit has adequate water supply position. We source water supply from borewells installed in our manufacturing unit.

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 (%)
2020-2021	72,000	43,972.82	61.07%
2021-2022	72,000	41,844.23	58.12%
2022-2023	72,000	56,126.82	77.95%

COLLABORATIONS

As on date of this Red Herring Prospectus, we have not entered into any technical or financial collaborations or agreements.

Insurance

Our Company has availed burglary & house breaking insurance policy, two -wheeler package policy, digit private car stand-alone own damage policy, marine cargo open policy, digit commercial vehicle package policy-goods carrying vehicle, commercial goods carrying vehicle certificate of insurance cum policy schedule and GCV public carrier other than 3 wheeler -package policy to insure our manufacturing unit, stock in transit and the vehicles owned by us.

MARKETING, BRANDING & ADVERTISING

Our Company has marketing and brand strategy for its products. We undertake (i) door to door marketing activities by engaging services of third party marketing agencies; (ii) displaying hoardings of our products in Ranchi and Odisha (Rourkela) and publishing advertisements in newspapers; (iii) providing sponsorships for cultural and social events, wherein our products are marketed and displayed through advertisement or marketing displays; and (iv) organising marketing campaigns in residential societies for spreading awareness of our products and providing branded merchandise in the form of diaries, pens, *etc.*



Hoardings of our products



Door to Door marketing and marketing campaigns in residential societies



Sponsorships for cultural and social events, wherein our products are marketed and displayed through advertisement or marketing displays

Our Company regularly organises area wise meetings of dealers, wholesalers and/or large retailers and local retailers to inform them about the new developments or of the introduction of new products. This enables to gain confidence of our intermediaries to promote the product. The interaction with our intermediaries is helpful to get the market feedback and change the product as per the customer's requirement. We also provide branded merchandise in the form of diaries, pens, etc., to our intermediaries.





Meets with dealers, wholesalers and/or large retailers and local retailers

Our sales and marketing team has enabled our Company to adopt a focused approach towards creating brand awareness by targeting deeper penetration in small cities and towns for marketing of our products. Our sales and marketing team consists of eight (08) employees who oversee the sales of our products, manage our intermediaries and adopt marketing activities to spread awareness of our products.

INTELLECTUAL PROPERTY RIGHTS

As on date of this Red Herring Prospectus, our Company has registered the following trademarks:

Sr. No.	Particulars	Trade Mark Number	Date of Registration	Class
1.		3284658	June 14, 2016	30

Assigned Trademarks

Our Company has executed a deed of assignment dated September 18, 2023 (which was executed on September 19, 2023) with Manish Kumar Sahu, wherein the following trademarks and copyrights have been assigned to our Company by Manish Kumar Sahu (the “**Assignor**” and the “**Deed of Assignment**”):

Trademarks:

Sr. No.	Particulars	Trade Mark Number	Class
1.	PANCHAKANYA	2236074	30
2.		3353018	30
3.		3353017	30
4.		3353016	30

Copyrights:

S. No.	Artistic Work/label	Registration No.
1.	PANCHAKANYA BPT RAW REGULAR	A-119188/2017
2.	PANCHAKANYA BPT STEAM HAMESHA	A-119189/2017
3.	PANCHAKANYA BASMATI RICE	A-119190/2017
4.	PANCHAKANYA SONACHUR MAST MAST	A-119191/2017
5.	PANCHAKANYA SONACHUR	A-119361/2017
6.	PANCHAKANYA KATARNI STEAM	A-119362/2017
7.	PANCHAKANYA SONAM STEAM	A-119363/2017
8.	PANCHAKANYA SONAM ARWA	A-119364/2017
9.	PANCHAKANYA SHARBATI	A-121927/2017
10.	PANCHAKANYA GOLD	A-121928/2017
11.	PANCHAKANYA KRISHNA	A-121929/2017

The Assignor has assigned to our Company the aforementioned trademarks and copyrights, in lieu of a one-time consideration of a sum of ₹ 3.00 lakhs. The said consideration has been paid by our Company to the Assignor on September 18, 2023. Pursuant to the payment of the said consideration, all rights, titles and interests associated with the said registered trademarks and copyrights and in respect of the goods sold under the mark along with the goodwill were assigned to our Company.

The said assignment deed has been filed with Trade Mark Registry *vide* application no 396123 dated October 5, 2023.

Our ‘Panchakanya’ brand is registered in the name of one of the members of our Promoter Group, Manish Kumar Sahu. Our Company is in the process of executing an assignment agreement for the purpose of governing terms of the usage of the said brand. For risk relating to the same, please see – “Risk Factors – Risk Factor 16 - Our business and prospects may be adversely affected if we are unable to maintain and grow the image of our brands. Further, our brand ‘Panchakanya’ and the package design of our product ‘Panchakanya Gold’, ‘Panchakanya Krishna’ and ‘Panchakanya Sharbati’ is assigned and registered, respectively, in the name of our Promoter Group member, Manish Kumar Sahu. We have executed a deed of assignment with our promoter group member to record the terms of usage of the said trademarks and have filed an application with the Trade Mark Registry for registration of the said trade marks in the name of our Company. In the event, we are unable to protect our intellectual property rights or brand names, it could have a material impact on our goodwill, business operations, financial condition and results of operations” on page 36.

INFRASTRUCTURE AND FACILITIES

Registered Office

Baba Food Processing (India) Limited

6th Floor, Home Decor Building,
Opposite Durga Mandir, Ratu Road,
Ranchi G.P.O., Ranchi – 834 001,
Jharkhand, India.

Manufacturing Unit

Village Nagri, P.S. Thana No. 122.,
Khata No. 03, PlotNo. 2278,
Nagri, Ranchi District – 835 303,
Jharkhand, India.

All our facilities including our in-house quality laboratory, Quality Division and warehouse are housed in our manufacturing unit. Our sales and marketing division functions from the Registered Office of our Company.

TRANSPORTATION

Our Company engages third party transport providers for transporting raw materials and finished products. Our Company also maintains a fleet of vehicles for ensuring timely transport of raw materials to our manufacturing unit and transport of finished products to our customers. A list of vehicle maintained by us has been provided below:

S. No.	Category	Details of the Vehicle
1.	PICK-UP	Mahindra Bolero Pickup
2.	PICK-UP	Mahindra Bolero Pickup
3.	407	TATA SFC 407
4.	LPT	TATA LPT 407
5.	LPT	TATA LPT 407
6.	LPT	TATA LPT 407
7.	LPT	TATA LPT 610

LAND AND PROPERTY

We carry out our business operations from the following properties:

i) Freehold Property

Sr. No.	Particulars of the Property	Usage
1.	5 Decimal of Freehold Land bearing Plot no 2278 under Mouja: Nagri, PS- Nagri, Thana No.: 122, Dist. Ranchi – 835 303, Jharkhand, India	Manufacturing Unit

ii) Leasehold Property

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Lease agreement dated March 11, 2023 executed between Ashwini Khaitan and our Company read with the addendum to the lease agreement dated July 1, 2023.	1282 Sq. Ft. which is situated at 6 th Floor, Home Décor Building, Opp. Durga Mandir, Ratu Road, Ranchi-834 001, Jharkhand, India.	₹ 45,000 per month plus GST@ 18% with an increment of 5% per annum	For a period of four (04) years with effect from April 11, 2023	Registered Office
2.	Lease Deed dated May 19, 2015 executed between Yogesh Kumar Sahu and our Company	Property admeasuring an area of 2.04 acres situated at Village-Nagri, P.S.-Nagri, Thana No.-122, Khata No.-3, Plot No.- 2278, Ranchi District – 835 303, Jharkhand, India.	₹ 12,500 per month	For a period of thirty (30) years with effect from May 19, 2015 until May 18, 2045	Manufacturing Unit

(The remainder of this page is intentionally left blank)

KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company, its Subsidiaries, and its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.

The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company or the LM are under no obligation to update the same.

A. Industry Related Laws and Regulations

The Food Safety and Standards Act, 2006 (“FSS Act”)

The FSS Act was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (“FSSAI”), for laying down science-based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto. The FSS Act, among other things, also sets out requirements for licensing and registration of food businesses, general principles of food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by Food Safety Appellate Tribunal. For enforcement, under the FSS Act the ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’ have been granted with detailed powers of seizure, sampling, taking extracts and analysis. Penalties are levied for various defaults such as for selling food not of the nature or substance or quality demanded, sub-standard food, misbranded food, misleading advertisement, food containing extraneous matter, for failure to comply with the directions of Food Safety officer, for unhygienic or unsanitary processing or manufacturing of food, for possessing adulterant. Apart from the penalties, there are punishments prescribed for selling, storing, distributing or importing unsafe food, for interfering with seized items, for providing false information, for obstructing or impersonating a Food Safety officer, for carrying out a business without a license and for other subsequent offences. The FSS Act also contains the provision for offences by the companies. Further, the Food Safety and Standards Rules, 2011 (“FSSR”) which have been operative since August 5, 2011, provide, among other things, the qualifications mandatory for the posts of the ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’, and the procedure for taking extracts of documents, sampling and analysis.

The Indian Boilers Act, 1923 (“Boilers Act”) and the Indian Boiler Regulations, 1950 (“Boilers Regulations”)

The Boilers Act provides for inter alia the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection during operation and maintenance of boilers in India and provides for penalties for illegal use of boilers. The Boilers Regulations provide for inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

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 (“COPRA, 2019”)

COPRA, 2019 came into force on August 9, 2019, replacing the Consumer Protection Act, 1986. It has been enacted with an intent to protect the interests of consumers and to establish competent authorities in order to timely and effectively administer and settle consumer disputes. COPRA, 2019 provides for establishment of a Central Consumer Protection Authority to regulate, among other things, matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers. In order to address the consumer disputes’ redressal mechanism, it provides a mechanism (three tier consumer redressal mechanism at national, state and district levels) for the consumers to file a complaint against a trader or service provider. COPRA, 2019 provides for penalty for, among others, manufacturing for sale or storing, selling or distributing or importing products containing adulterants and for publishing false or misleading advertisements. The scope of the punitive restraint measures employed by the act include both – monetary penalties for amounts as high as ₹ 5.00 million to imprisonment which may extend to life sentences, for distinct offences under the act.

Electricity Act, 2003

The Electricity Act, 2003 (the “***Electricity Act***”) was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorising a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police, as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid. The Electricity Act also states the mechanism for seeking judicial relief by setting up an Appellate Tribunal and laying down the process to seek justice against the orders of the Commission established under the Electricity Act.

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.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

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.

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. FOREIGN INVESTMENT RELATED LAWS AND REGULATIONS

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”) from time to time. Under the current FDI Policy (effective October 15, 2020) 100% foreign direct investment is permitted in the animal husbandry sector, under the automatic route.

As per the SEBI (Foreign Portfolio Investors) Regulations, 2019 (“**SEBI FPI Regulations**”), investments by Foreign Portfolio Investors (“**FPIs**”) in the capital of an Indian company under the SEBI FPI Regulations are subject to individual holding limits of 10% of the total paid up equity capital on a fully diluted basis of the company per FPI. If the investment exceeds the threshold limit of 10% the investor must divest the excess holding within five days of the breach, and if not accordingly divested, the entire investment in the company by the FPI shall be considered as FDI and the FPI will be prohibited from making further investments in the company under the regulations.

Overseas Direct Investment (“ODI”)

In terms of the Master Direction No. 15/2015-16 on Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad issued by the RBI, dated January 1, 2016, an Indian entity can make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

D. Intellectual Property Laws

Information Technology Act, 2000

The Information Technology Act, 2000 (the “**IT Act**”) creates a liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing with, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines, and imprisonment for various computer related offences. These include offences relating to unauthorised disclosure of confidential information and committing of fraudulent acts through computers, tampering with source code, unauthorised access, publication or transmission of obscene material etc. The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011 under Section 43A of the IT Act and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act.

Indian Patents Act, 1970

The purpose of the Indian Patents Act, 1970 (the “**Act**”) is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the terms of the patent. An invention means a new product or process involving an inventive step capable of industrial application. An application for a patent can be made by (a) a person claiming to be the true and first inventor of the invention; (b) a person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application.

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.

A. EMPLOYMENT RELATED LAWS

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 provisions of this code will be brought into force on a date to be notified by the Central Government.

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 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. Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the “*EPF Act*”) The EPF Act applies to factories employing over 20 employees

and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

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.

E. General Corporate and Other Allied Laws

Apart from the above list of laws which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act, 1872, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Sale of Goods Act, 1930, Consumer Protection Act, 1986, Anti Trust law such as Competition Act, 2002 and corporate Acts namely Companies Act, 1956 and Companies Act, 2013 are also applicable to the Company.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated on April 22, 2015 as ‘Baba Food Processing (India) Private Limited’, a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, Jharkhand at Ranchi. Subsequently, pursuant to a resolution passed by the Shareholders in an Extra-Ordinary General Meeting held on May 27, 2023, our Company was converted from a private limited company to a public limited company and a fresh certificate of incorporation dated July 20, 2023 was issued by the Registrar of Companies, Jharkhand at Ranchi. Consequent to the conversion of our Company, the name of our Company was changed to ‘Baba Food Processing (India) Limited’. The corporate identification number of our Company is U15311JH2015PLC002849.

Change in registered office of our Company

The Registered Office of our Company was originally located at Office No. 504, Mangal Murti Heights, Beside Vishal Mart, Rani Bagan, Harmu Road, Ranchi – 834 001, Jharkhand, India. The details of the changes made in the Registered Office of our Company have been provided below:

S. No.	Details of change	Date of change	Reasons for change
1.	The registered office of our Company was changed from Office No. 504, Mangal Murti Heights, Beside Vishal Mart, Rani Bagan, Harmu Road, Ranchi – 834 001, Jharkhand, India to Baba House, Plot No 915, Rani Bagan, Harmu Road, Ranchi – 834 001, Jharkhand, India.	January 25, 2021	Change of registered office due to expiry of term of the agreement.
2.	The registered office of our Company was changed from Baba House, Plot No 915, Rani Bagan, Harmu Road, Ranchi – 834 001, Jharkhand, India to 6th Floor, Home Decor Building Opposite Durga Mandir, Ratu Road Ranchi G.P.O., Ranchi	March 11, 2023	For administrative continence

Main Object of our Company

The main object of our Company is as follows:

“To manufacture, process, import, export, trade, distribute, or otherwise deal in all kinds and description of wheat, atta, maida, suji, besan, rice, pulse, & other food grains, spices, poultry, cattle and animal feed & feed supplements.”

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

Amendments to the Memorandum of Association

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:

Date of shareholder’s resolution	Nature of amendments
October 5, 2015	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 4,50,00,000 divided into 45,00,000 Equity Shares of ₹ 10 each to ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each.
June 7, 2019	Part B of the Objects Clause of the MoA, i.e., “the objects incidental or ancillary to the attainment of the main objects”, was amended by the Company in order to include a clause related to borrowing money from banks or financial institutions for smooth operations of the Company.
May 27, 2023	Our Company was converted from a private limited company to a public limited company and a fresh certificate of incorporation dated July 20, 2023 was issued by the Registrar of Companies, Jharkhand at Ranchi. Consequent to the conversion of our Company, the name of our Company was changed to ‘Baba Food Processing (India) Limited’. Clause I of the MoA was amended to reflect the conversion of our Company and consequent change of name.
May 28, 2023	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each to ₹ 17,50,00,000 divided into 1,75,00,000 Equity Shares of ₹ 10 each.

Corporate profile of our Company

For details regarding the description of our Company’s activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, capacity/facility creation, capacity built-up, 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 121, 154 and 210 respectively, of this Red Herring Prospectus.

Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
2015	Our Company was incorporated as a private limited company under the name and style of ‘ <i>Baba Food Processing (India) Private Limited</i> ’.
2016	Our Company had set up an atta mill
2018	Our Company had set up a refined flour mill
2023	Our Company was converted from a private limited company to a public limited company and the name of our Company was changed to ‘ <i>Baba Food Processing (India) Limited</i> ’.
	Incorporation of Panchakanya Foods Private Limited, our wholly owned Subsidiary

Awards and Accreditations

Our Company has not received any awards and accreditations 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 Red Herring 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 Red Herring Prospectus, our Company does not have a holding company.

Subsidiaries of our Company

As on the date of this Red Herring Prospectus, our Company has one Subsidiary under the name of Panchakanya Foods Private Limited.

The details of our Subsidiary has been provided below:

Panchakanya Foods Private Limited (“Panchakanya Foods”)

Panchakanya Foods was incorporated as a private limited company, under the Companies Act, 2013, pursuant to a certificate of incorporation dated April 5, 2023 issued by the Registrar of Company, Central Registration Centre. Its CIN

is U10611JH2023PTC020223 and its registered office is situated at 6th Floor, Home Decor Building, Opposite Durga Mandir, Ratu Road Ranchi G.P.O. Ranchi – 834 001, Jharkhand, India.

Nature of business

The subsidiary is incorporated to undertake the business of manufacturing, processing, preparing, preserving, canning, refining, bottling, buying, selling and dealing as wholesalers/retailers or as exporters/importers or as principal/agent in high protein foods, instant foods like noodles, papad, potato chips, banana chips, namkeens, sweets, bakery and confectionery, etc. Further, it is also into manufacturing, producing, distributing, grinding, selling (import/export as well) of wheat flour or any other flour and its products and preparations of flour. The Company also plans to acquire, construct and operate flour mills, oil mills and to establish, build, manage and run grinding mills, pulverisers for milling and buying, selling and dealing in spices and to carry on the business of millers in all its branches including wheat, gram, rice and other cereals, dal, besan, maida, atta, suji, etc.

Capital Structure

The details of the capital structure of Panchakanya Foods are as follows:

Particulars	Aggregate Nominal Value (₹ in lakhs)
Authorised share capital	
90,00,000 equity share of ₹ 10 each	9,00,00,000
Issued, subscribed and paid-up capital	
11,00,000 equity share of ₹ 10 each	1,10,00,000

Shareholding of Panchakanya Foods

The shareholding pattern of Panchakanya Foods is as follows:

Name of the Shareholder	Number of Equity Shares	Percentage of the total shareholding (%)
Our Company	10,99,999	100.00
Rajesh Agrawal*	1	Negligible
Total	11,00,000	100.00

*In the capacity of a nominee of our Company.

Other Confirmations

Amount of accumulated profits or losses

There are no accumulated profits or losses of our Subsidiary not accounted for by our Company.

Interest in our Company

Except as provided in “*Our Business*” on page 121, our Subsidiary does not have any business interest in our Company. For details of related business transactions between our Company and our Subsidiary, kindly refer “*Restated Financial Information – Annexure V: Note 27 – Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 193 of this Red Herring Prospectus.

Common Pursuits

Our Subsidiary is engaged in the same line of business as that of our Company. Accordingly, as disclosed in “*Subsidiaries*” above on page 150 and “*Financial Statements*” on page 172, there are common pursuits and common business interests among our Subsidiary and our Company. For risks relating to the same, please see – “*Risk Factors – Risk Factor 45- Our Subsidiary may have conflict of interest with us as it is engaged in similar business and may compete with us*” on page 47.

Listing of our Subsidiary

Our Subsidiary has not listed its securities on any stock exchange in India or abroad.

Associate or Joint ventures of our Company

As on the date of this Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

Strategic and Financial Partners

As on date of this Red Herring 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 Director or Promoters or any other employee of the Company

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Guarantees given by Promoters offering its shares in the Offer for Sale

This is a fresh issue of Equity Shares and our Promoters are not offering their shares in this Issue.

Material Agreements

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

OUR MANAGEMENT

Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. As on date of this Red Herring Prospectus, we have six (06) Directors on our Board, which includes one (01) Managing Director, one (01) Whole-Time Director, one (01) Non-Executive Director, who is a woman director and three (03) Independent Directors, one of whom is a woman director.

Set forth below, are details regarding our Board as on the date of this Red Herring Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Yogesh Kumar Sahu DIN: 02139226 Date of Birth: October 8, 1972 Designation: Managing Director Address: Krishna Apartment, Flat Number 201, Near Akashwani, Ratu Road, Ranchi GPO, Ranchi – 834 001, Jharkhand India. Occupation: Business Term: For a period of five (05) years with effect from July 4, 2023 until July 3, 2028. Period of Directorship: Director since incorporation Nationality: Indian</p>	50	<ol style="list-style-type: none"> 1. Panchakanya Foods Private Limited; and 2. YKS Warehousing & Logistics Private Limited.
<p>Rajesh Agrawal DIN: 06448058 Date of Birth: June 28, 1976 Designation: Whole-time Director and Chief Financial Officer Address: 202 Shanti Basant, Appartment, Kanke Road, Near Gandhi Nagar, Adityanilayam Galli, Misirgonda alias Pahargonda, Ranchi – 834 004, Jharkhand, India. Occupation: Business Term: For a period of 5 (Five) years with effect from July 4, 2023 until July 3, 2028 and liable to retire by rotation. Period of Directorship: Director since May 18, 2023 Nationality: Indian</p>	47	<ol style="list-style-type: none"> 1. Nutrelis Project India Private Limited; 2. Panchakanya Foods Private Limited; and 3. Royal Ville Nutrifood Private Limited. <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <ol style="list-style-type: none"> 1. Current Opinion and Future Trends LLP 2. Urben Farmers Cropcity LLP
<p>Binita Sahu DIN: 07792268 Date of Birth: February 7, 1983 Designation: Non-Executive Non-Independent Director Address: Krishna Apartment, Flat Number 201, Near Akashwani, Ratu Road, Ranchi GPO, Ranchi – 834 001, Jharkhand India.</p>	40	<ol style="list-style-type: none"> 1. Panchakanya Foods Private Limited; and 2. YKS Warehousing & Logistics Private Limited.

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Occupation: Business</p> <p>Term: Liable to retire by rotation.</p> <p>Period of Directorship: Director since November 11, 2021</p> <p>Nationality: Indian</p>		
<p>Sasmita Mohanty</p> <p>DIN: 08540315</p> <p>Date of Birth: December 21, 1971</p> <p>Designation: Independent Director</p> <p>Address: 188, Harmony Apartments, Pocket 1 Sector - 4, Amberhai, Dwarka, Sec 6, South West Delhi-110 075, Delhi, India.</p> <p>Occupation: Service</p> <p>Term: For a period of five (05) years with effect from July 20, 2023 until July 19, 2028.</p> <p>Period of Directorship: Director since July 20, 2023.</p> <p>Nationality: Indian</p>	51	Nil
<p>Sanchit Jaiswal</p> <p>DIN: 09812067</p> <p>Date of Birth: September 20, 1991</p> <p>Designation: Independent Director</p> <p>Address: A-17/G-2, Near GTB Hospital, Dilshad Garden, East Delhi – 110 095, Delhi, India.</p> <p>Occupation: Professional</p> <p>Term: For a period of five (05) years with effect from July 20, 2023 until July 19, 2028.</p> <p>Period of Directorship: Director since July 20, 2023</p> <p>Nationality: Indian</p>	31	<ol style="list-style-type: none"> 1. Set-Forward Corporate Advisors Private Limited <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <ol style="list-style-type: none"> 1. Homely Care Products LLP
<p>Raj Kumar Lakhotia</p> <p>DIN: 00281524</p> <p>Date of Birth: December 8, 1977</p> <p>Designation: Independent Director</p> <p>Address: BL-3, Flat-6A, Magnolia 54/10 D C Dey Road, Seal Lane, Kolkata – 700 015, West Bengal, India.</p> <p>Occupation: Professional</p> <p>Term: For a period of 5 (five) years with effect from July 20, 2023 until July 19, 2028.</p> <p>Period of Directorship: Director since July 20, 2023</p> <p>Nationality: Indian</p>	45	<ol style="list-style-type: none"> 1. Dev-Yashu Trading Private Limited 2. Chessy Finops Private Limited 3. Chessy Estate Veterans Private Limited

Brief Biographies of our Directors

Yogesh Kumar Sahu, aged 50 years, is the Promoter and Managing Director of our Company. He holds a bachelor's degree in arts from Government College, Rourkela. He has an experience of over a decade in the agro trading and milling. Prior to incorporation of our Company, he was associated with a partnership firm under the name 'M/s. Baba Flour Mills', in the capacity of a partner, which was engaged in the business of trading of agro-commodities and milling of rice and grains. He has an experience of twenty years in the business of manufacturing, milling and trading of agro-commodities. Presently, he head the sales and marketing division of our Company and is responsible for overall management of our Company.

Rajesh Agrawal, aged 47 years, is the Whole-time Director and Chief Financial Officer of our Company. He has attended Tribhuvan University, Kathmandu to pursue bachelor's degree in commerce from. He is a fellow member of the Institute of Chartered Accountants of India. He has an experience of twenty three years in the field of audit, due diligence, accounting, taxation, finance and management. Presently, he is responsible for the accounting, finance and taxation functions of the Company.

Binita Sahu, aged 40 years, is the Promoter and Non-Executive Director of our Company. She holds attended Baldeo Sahu Mahavidyalaya to pursue bachelor's degree in commerce. She has experience of six years in the field of management and administration. She is also actively involved in social welfare activities.

Sasmita Mohanty, aged 51 years, is the Independent Director of our Company. She has passed the examination held for master's degree in arts (sociology) from Sambalpur University. She has also completed the senior management programme organised by the Indian Institute of Management, Ahmedabad. She has experience of twenty-five years in leading organizational development and human resources initiatives linking human capital to strategic business results.

Sanchit Jaiswal, aged 31 years, is the Independent Director of our Company. He holds a provision certificate certifying that he has completed the bachelor's degree in commerce (corporate affairs and administration) from Indira Gandhi Open National University. He is an associate member of the Institute of Company Secretaries of India. He has experience of six years in the field of Corporate Law, Finance, General Management, Legal and Taxation.

Raj Kumar Lakhotia, aged 45 years, is the Independent Director of our Company. He has passed the examination held for bachelor's degree in commerce from University of Calcutta. He is a fellow member of Indian Institute of Chartered Accountants of India. He has also completed the post qualification course in information systems audit and certificate course on indirect taxed organised by the Indian Institute of Chartered Accountants of India. He has also completed the certification on central depository examination conducted by BSE Limited. He has an experience of twenty-two years in the field of taxation including international taxations, auditing, business and financial advisory, estate & succession planning. He is a director on the board of directors of Dev-Yashu Trading Private Limited, Chessy Finops Private Limited and Chessy Estate Veterans Private Limited.

As on the date of the Red Herring 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, except as stated below:

Name of Directors	Yogesh Kumar Sahu
Name of the Company	Baba Agro Food Limited
Listed on	NSE Emerge
Date of delisting on the stock exchange(s)	March 05, 2021
Compulsory or voluntary delisting	Voluntary delisting
Reasons for delisting	The promoters group decided to give delisting offer and consequently delist the company
If relisted, date of relisting on	NA
Term (along with relevant dates) of the director in the above company/companies	From July 31, 2008 till November 1, 2021

- 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

Name of Director	Designation	Relation
Yogesh Kumar Sahu	Managing Director	Husband of Binita Sahu
Binita Sahu	Non-Executive Director	Wife of Yogesh Kumar Sahu

Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

Payment or Benefit to officers of our Company

Except as stated otherwise in this Red Herring 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 4, 2023, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, such sum or sums of moneys as the Board which together with the moneys already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed at any time the aggregate of the paid-up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed ₹ 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 June 19, 2023 and approved by the Shareholders of our Company at the AGM held on July 4, 2023, Yogesh Kumar Sahu was appointed as the Managing Director of our Company for a period of five (05) years with effect from July 4, 2023 along with the terms of remuneration, in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

Basic Salary	Rs. 1,00,000 per month
Perquisites	<ul style="list-style-type: none"> • Car to be provided for commuting to office; • Reimbursement of travelling expenses; • Encashment of leave as per the rules of our Company; and • Telephone at residence and mobile phone for use of Company's business.
Minimum Remuneration	In the event of loss or inadequacy of profits in any financial year, Yogesh Kumar Sahu shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company.

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 June 19, 2023 and approved by the Shareholders of our Company at the AGM held on July 4, 2023, Rajesh Agrawal was appointed as the Whole-time Director of our Company. Subsequently, the Board of Directors in their meeting held on July 24, 2023 and the Shareholders in their extra-ordinary general meeting held on August 14, 2023, amended the terms of appointment of the Whole-time Directors, in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. Further, pursuant to a resolution passed by the Board of Director in their meeting held on July 20, 2023, Rajesh Agrawal was appointed as the Chief Financial Officer of our Company with effect from July 20, 2023.

Basic Salary	Rs. 3,00,000 per month
Perquisites	<ul style="list-style-type: none"> • Car to be provided for commuting to office; • Reimbursement of travelling expenses; • Encashment of leave as per the rules of our Company; and • Telephone at residence and mobile phone for use of Company's business.
Minimum Remuneration	In the event of loss or inadequacy of profits in any financial year, Rajesh Agrawal shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company.

Remuneration details of our Directors

(i) Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2023 is as follows:

S. No.	Name of the Director	Remuneration (₹ in lakhs)
1.	Yogesh Kumar Sahu	12.00
2.	Rajesh Agrawal	-
3.	Binita Sahu [^]	36.00

[^] Pursuant to a resolution passed by the Shareholders in the AGM held on July 4, 2023, the designation of Binita Sahu was changed from Executive Director to Non-Executive Director.

Our Executive Directors were not paid sitting fee in Fiscal 2023 for attending meetings of the Board of Directors and its committees.

(ii) Sitting fee details of our Independent Directors

Our Independent Directors were not paid sitting fee in Fiscal 2023 for attending meetings of the Board of Directors and its committees. Our Board of Directors in their meeting held on July 24, 2023 have fixed ₹ 25,000/- as sitting fee for Non-Executive Directors for attending meetings of the Board of Directors and its committees.

Payment or benefit to Directors of our Company

Except as disclosed in this Red Herring 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

Our Subsidiary was incorporated on April 5, 2023, thus, the details of remuneration paid to our Directors by our Subsidiary in Fiscal 2023 are not applicable.

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 Red Herring Prospectus.

Shareholding of Directors in our Company

Except as stated below, none of our Directors holds any Equity Shares of our Company as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Yogesh Kumar Sahu	1,09,21,250	91.01
2)	Binita Sahu	4,98,738	4.16

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
3)	Rajesh Agrawal	3	Negligible

* Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

Shareholding of Directors in our Subsidiaries

Except as stated below, none of our Directors holds any Equity Shares of our Subsidiary as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Rajesh Agrawal	1	Negligible

*In the capacity of a nominee of our Company.

Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “Terms of appointment and remuneration of our Executive Directors” above.

Yogesh Kumar Sahu is the Promoter of our Company and may be deemed to be interested in the promotion of our Company to the extent he has 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. 172 and 166, respectively of this Red Herring Prospectus, our Directors are not interested in any other company, entity or firm.

Our Directors, namely Yogesh Kumar Sahu and Binita Sahu have extended personal guarantees to secure the loan availed by our Company from its lenders. For further details, please refer to “Financial Indebtedness” on page 208 of this Red Herring Prospectus. Further, Yogesh Kumar Sahu and Binita Sahu have extended unsecured loans to our Company, details of which have been disclosed in the chapter titled “Financial Indebtedness” on page 208 of this Red Herring Prospectus.

Except as stated in “Restated Financial Information – Annexure V: Note 27 – Related Party Transactions” from the chapter titled “Restated Financial Information” on Page No. 193 of this Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

Interest as to property

Except as mentioned in “Our Business - Land and Property” and “Restated Financial Information – Annexure V: Note 27 – Related Party Transactions” from the chapter titled “Restated Financial Information” on Page Nos. 193 and 172 of this Red Herring Prospectus our Directors do not have any interest in any property acquired or proposed to be acquired by our Company or of our Subsidiary.

Bonus or Profit Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit sharing plan.

Changes in our Board during the Last Three Years

Except as disclosed below, there have been no changes in our Board during the last three years.

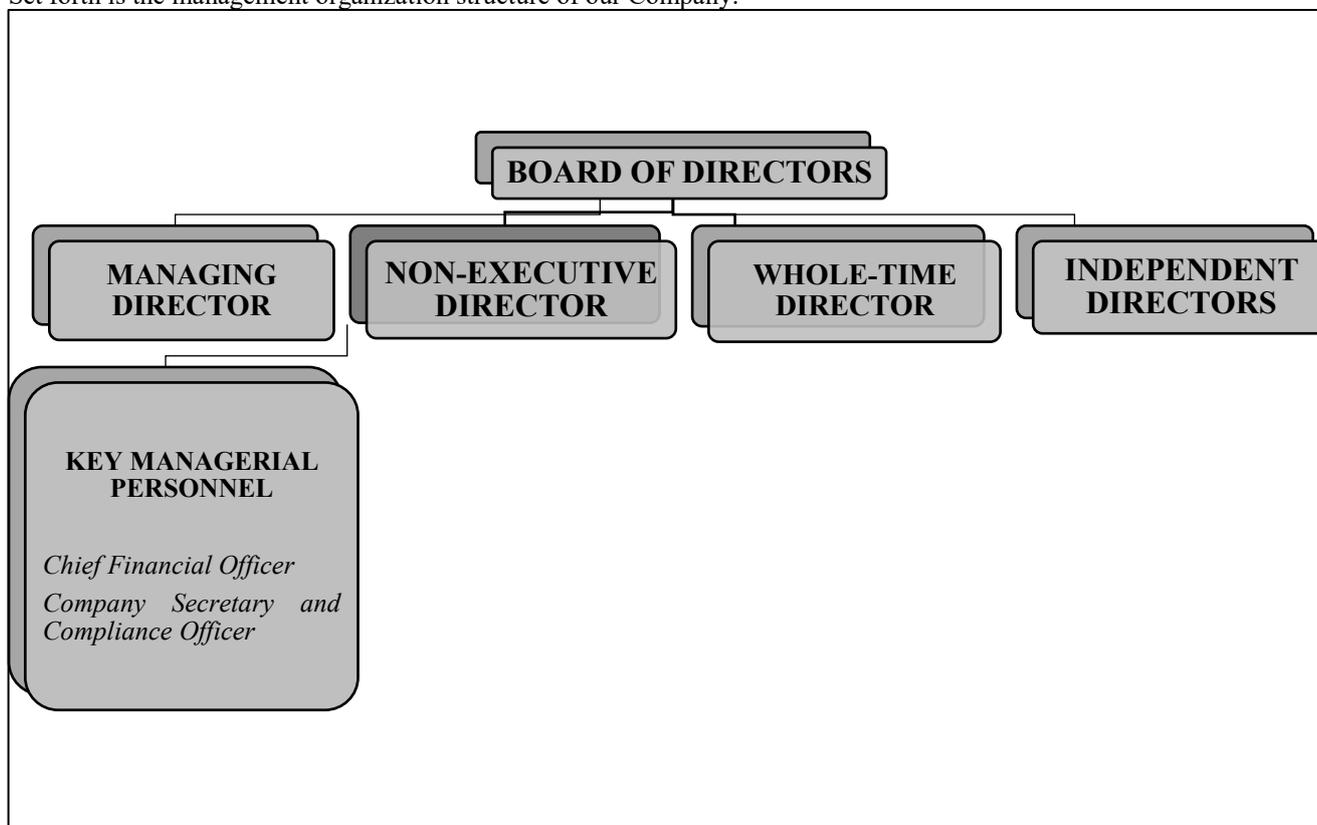
Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
Manish Kumar Sahu	-	March 6, 2021	Resigned from the post of the Director due to pre-occupation in other business ventures
Rakhi Sahu	June 1, 2021	-	Appointed as a Non-Executive Director
Binita Sahu	November 1, 2021*	-	Appointed as Additional (Executive Director)
Gyan Prakash Sahu	-	November 1, 2021	Resigned from the post of the Director due to group restructuring. Pursuant to the resignation the director has continued his appointment on

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
			the board of Baba Agro Food Limited.
Rakhi Sahu	-	November 1, 2021	Resigned from the post of a Non-Executive Director due to group restructuring. Pursuant to the resignation the director has been appointed on the board of Baba Agro Food Limited.
Ekta Sahu	-	November 1, 2021	Resigned from the post of the Director due to group restructuring. Pursuant to the resignation the director has been appointed on the board of Baba Agro Food Limited.
Rajesh Agrawal	May 18, 2023	-	Appointed as an Additional (Non-Executive) Director
Yogesh Kumar Sahu	July 4, 2023	-	Change in designation from Executive Director to Managing Director
Binita Sahu	July 4, 2023	-	Change in designation from Executive Director to Non-Executive Director
Rajesh Agrawal	July 4, 2023	-	Change in designation of the Director from Non-Executive Director to Whole-time Director
Sasmita Mohanty	July 20, 2023	-	Appointed as Independent Director
Sanchit Jaiswal	July 20, 2023	-	Appointed as Independent Director
Raj Kumar Lakhotia	July 20, 2023	-	Appointed as Independent Director

*The appointment of the Director was regularised in the AGM held on November 30, 2021.

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 Red Herring Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution

of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee;
- c) Nomination and Remuneration Committee; and
- d) Corporate Social Responsibility Committee.

Details of each of these committees are as follows:

AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated July 24, 2023 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Red Herring Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Raj Kumar Lakhotia	Chairman	Non-Executive Independent Director
Sanchit Jaiswal	Member	Non-Executive Independent Director
Rajesh Agrawal	Member	Whole-time Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit

department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Management letters/letters of internal control weaknesses issued by the statutory auditors.
3. Internal audit reports relating to internal control weaknesses.
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
5. statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
6. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee shall meet at-least two times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on July 24, 2023. As on the date of this Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Sasmita Mohanty	Chairperson	Non-Executive Independent Director
Sanchit Jaiswal	Member	Non-Executive Independent Director
Raj Kumar Lakhotia	Member	Non-Executive Independent 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

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on July 24, 2023. As on the date of this Prospectus the Stakeholders' Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Sanchit Jaiswal	Chairman	Non-Executive Independent Director
Binita Sahu	Member	Non-Executive Non-Independent Director
Rajesh Agrawal	Member	Whole-time Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. 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.

- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Stakeholders' Relationship Committee is required to meet at-least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was constituted on July 24, 2023. The Corporate Social Responsibility Committee comprises of the following members:

Name of the Director	Designation in the Committee	Nature of Directorship
Binita Sahu	Chairperson	Non-Executive Non-Independent Director
Sasmita Mohanty	Member	Non-Executive Independent Director
Rajesh Agrawal	Member	Whole-time Director

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

- To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

Our Key Managerial Personnel

In addition to our Managing Director and Whole Time Director 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 Red Herring Prospectus:

Ashana Vij, aged 30 years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree in Commerce from Marwari College, Ranchi University. She is an Associate member of the Institute of Company Secretaries of India. She has an experience in corporate law compliance. In the past, she was associated with Pitad & Malot Global Expansion Private Limited, in the capacity of an associate company secretary, Advantium Infrastructure Private Limited in the capacity of company secretary and corporate affairs executive and Jharkhand Road Projects Implementation Company Limited in the capacity of a company secretary. She has been associated with our Company since July 20, 2023. She has not received remuneration in the Financial Year 2023. She will be overseeing the compliance and secretarial related matters of our Company.

All our Key Managerial Personnel are permanent employees of our Company.

Our Managing Director and our Whole-time Director and Chief Financial Officer are directors of our Subsidiary.

Except for our Chief Financial Officer and Company Secretary and Compliance Officer, whose details have been provided under paragraph above titled '*Our Key Managerial Personnel*', there are no personnel who form part of the Senior Management as on the date of filing of this Red Herring Prospectus.

Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management

Except as disclosed under the heading “*Relationship between our Directors*” herein above, none of the key managerial personnel and Senior Management are related to each other or to our Promoters or to any of our Directors.

Shareholding of the Key Managerial Personnel and Senior Management

Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel and Senior Management:

Sr. No.	Name of Director/ KMP/ Senior Management	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Yogesh Kumar Sahu	1,09,21,250	91.01
2)	Binita Sahu	4,98,738	4.16
3)	Rajesh Agrawal	3	Negligible

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 Red Herring 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 Red Herring 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 Red Herring Prospectus:

Name	Designation	Date of change	Reason
Ashana Vij	Company Secretary and Compliance Officer	July 20, 2023	Appointment
Rajesh Agrawal	Chief Financial Officer	July 20, 2023	Appointment

The attrition of the Key Management Personnel and Senior Management is as per the industry standards.

Employees’ Stock Option Plan

As on date of this Red Herring 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 Red Herring Prospectus.

OUR PROMOTER AND PROMOTER GROUP

As on the date of this Red Herring Prospectus, our Promoter holds 1,09,21,250 Equity Shares, constituting 91.01% of our pre – Issue issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoter’s shareholding in our Company, please refer chapter titled “*Capital Structure*” beginning on Page No. 74 of this Red Herring Prospectus.

Details of our Promoters



YOGESH KUMAR SAHU

Yogesh Kumar Sahu, aged 50 years, is the Promoter and Managing Director of our Company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “*Our Management*” beginning on Page No. 154 of this Red Herring Prospectus.

Date of Birth: October 8, 1972

Permanent account number: AKXPS7553F

Driving license number: JH23 20210010734

Address: Krishna Apartment, Flat Number 201, Near Akashwani, Ratu Road, Ranchi GPO, Ranchi – 834 001, Jharkhand India.

Other Ventures of our Promoters

The ventures in which our Promoters is involved in are as follows:

Yogesh Kumar Sahu

Name of the Venture	Nature of Interest
Yogesh Kumar Sahu HUF	Karta
Panchakanya Foods Private Limited	Director
YKS Warehousing & Logistics Private Limited	Shareholder and Director
Baba Agro Food Limited*	Shareholder*
Sudhir Prasad Sahu HUF	Coparcener

* *Yogesh Kumar Sahu ceased to be a shareholder of Baba Agro Food Limited w.e.f. September 28, 2023.*

Our Company confirms that the permanent account number, bank account number and passport number, Aadhaar card number and driving license number of our Promoter were submitted to NSE at the time of filing the Draft Red Herring Prospectus.

Change in Control of our Company

There is no change in the control of our Company since incorporation.

Experience of our Promoter in the business of our Company

Our Promoter holds experience in the business of our Company. For details in relation to experience of our Promoter in the business of our Company, please refer to the chapter titled “*Our Management*” beginning on Page No. 154 of this Red Herring Prospectus.

Interest of our Promoters

Interest in promotion of our Company

Our Promoter is interested in our Company to the extent that he has promoted our Company and to the extent of his shareholding in our Company and the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of her relatives in our Company. For details of the shareholding and directorships of our Promoter in our Company, please refer to the chapter titled “*Capital Structure*”, “*Our Management*” and “*Restated*”

Financial Information - Related Party Transactions” beginning on Page Nos. 74, 154 and 193, respectively of this Red Herring Prospectus.

Interest of Promoters in our Company other than as a Promoter

Our Promoter, Yogesh Kumar Sahu (Managing Director) is the director of our Company therefore, may be deemed to be considered interested to the extent of any remuneration which shall be payable to him in such capacity. Except as stated in this section and the section titled “*Our Management*”, “*Financial Indebtedness*” and “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 154, 208 and 193, respectively, our Promoter does not have any interest in our Company other than as a Promoter.

No sum has been paid or agreed to be paid to our Promoter or to the firms or companies in which our Promoter is interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoter or by such firms or companies in connection with the promotion or formation of our Company.

Interest in the properties of our Company

Except as disclosed in the section “*Our Business- Land and Property*” and “*Financial Information*” and the chapter titled “*Restated Financial Information - Related Party Transaction*” beginning on Page No. 141 and 172, our Promoter is not interested in the properties acquired by our Company in the three years preceding the date of filing of this Red Herring Prospectus with SEBI or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

Other Interest and Disclosures

Except as stated in this section and the chapters titled “*Our Management*”, “*Our Business*”, “*Financial Indebtedness*” and “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 154, 121, 208 and 193, our Promoter does not have any interest in our Company other than as a Promoter.

Our Promoter along with our Non-Executive Director, Binita Sahu and members of our Promoter Group have extended personal guarantees to secure the loans availed by our Company. For further details, please refer to “*Financial Indebtedness*” on page 208 of this Red Herring Prospectus.

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Payment or benefits to our Promoter and Promoter Group during the last two years

Except as stated in this chapter and in the chapter titled “*Restated Financial Information - Related Party Transactions*” there has been no payment of any amount of benefits to our Promoter or the members of our Promoter Group during the last two years from the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter group as on the date of this Red Herring Prospectus. For further details, please refer to the chapter titled “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 193 of this Red Herring Prospectus.

Litigations involving our Promoter

As on date of this Red Herring Prospectus, there are no litigations involving our Promoter.

Guarantees

Our Promoter has not given any guarantees to third parties in respect of our Company and the Equity Shares that are outstanding as on the date of filing of this Red Herring Prospectus.

Details of Companies / Firms from which our Promoter has disassociated in the last three years

Our Promoter has not disassociated himself from any company/firm during three years preceding the date of this Red Herring Prospectus.

OUR PROMOTER GROUP

In addition to our Promoter, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

Individuals forming part of the Promoter Group:

Name of the member of Promoter Group	Relationship with the Promoter
Sudhir Prasad Sahu	Father
Krishna Devi	Mother
Binita Sahu	Spouse
Manish Kumar Sahu	Brother
Gyan Prakash Sahu	
-	Sister
Anmol Prakash	Son
Manya Priya	Daughter
Sriniwas Choudhary	Spouse's Father
Gita Choudhary	Spouse's Mother
Pankaj Choudhary	Spouse's Brother
Namita Prasad	Spouse's Sister

Entities forming part of the Promoter Group:

Except as stated below, no other company, firm or HUF are forming part of the promoter group:

Sr. No.	Name of the entity
1.	Yogesh Kumar Sahu HUF
2.	YKS Warehousing & Logistics Private Limited
3.	Baba Agro Food Limited
4.	Baba Krishna Agro Food Private Limited
5.	Baba Krishna Agrotech Private Limited
6.	Shri Krishna Minerals Ores (India) Private Limited
7.	Shree Balaji Agri Research Private Limited
8.	Panchkanya Agri LLP
9.	Sudhir Prasad Sahu HUF
10.	Manish Kumar Sahu HUF
11.	Gyan Prakash Sahu HUF

Other Confirmations

Neither our Promoter nor members of the Promoter Group have been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither Promoter nor entities forming part of our Promoter 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 Promoter Group are not and have never been promoters, 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 Red Herring Prospectus against our Promoters.

OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated July 24, 2023, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Offer Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled “*Financial Information*” on page 172 of this Red Herring Prospectus .

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, Baba Agro Food Limited have been identified and considered as the Group Company of our Company.

A. Details of our Group Company

Baba Agro Food Limited

Registered Office address

The registered office of Baba Agro Food Limited is situated at Baba House, Plot No 915, Rani Bagan, Harmu Road Ranchi – 834 001, Jharkhand, India.

Financial Performance

The Financial Performance of Baba Agro Food Limited as on the date of this Red Herring Prospectus is as follows:

Particulars	(₹ in Lakhs)		
	March 31, 2023	March31, 2022	March 31, 2021
Equity capital	1,323.30	1,323.30	1,323.30
Preference Share	398.00	398.00	398.00
Reserves and surplus (excluding revaluation)	14,115.6	11,426.55	8,843.58
Sales/ Revenue from Operations	81,263.99	65,557.90	54,024.41
Profit/(Loss) after tax	2,689.02	2,422.08	1,967.67
Earnings per share (₹) (Basic)	20.32	18.3	14.87
Earnings per share (₹) (Diluted)	20.32	18.3	14.87
Net Worth available to equity shareholders	15,438.90	12,749.85	10,166.88
Net asset value per share (₹)	116.67	96.35	76.83

B. Litigation

Our Group Companies are not party to any litigation which may have material impact on our Company.

C. Common pursuits

Our Group Company does not have any common pursuits with our Company.

D. Related business transactions within our Group Company and significance on the financial performance of our Company

Other than the transactions disclosed in “*Restated Financial Information – Annexure V: Note 27 – Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 193 of this Red Herring Prospectus, there are no other related business transactions between our Group Company and our Company.

E. Business Interest

Except as disclosed in the section “*Restated Financial Information – Annexure V: Note 27 – Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 193 of this Red Herring Prospectus, our Group Company has no business interests in our Company.

F. Nature and extent of interest of our Group Company

a) In the promotion of our Company

Our Group Company does 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 Red Herring Prospectus or proposed to be acquired by our Company*

Our Group Company is 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 Company is not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

DIVIDEND POLICY

The declaration and payment of dividends, if any, 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 to, 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 Red Herring Prospectus, our Company does not have a formal dividend policy.

Upon 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, 2023 and the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, please refer section titled “*Risk Factors*” on Page No. 27 of this Red Herring Prospectus.

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SECTION VI – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

S. No.	Details	Page Number
1.	Examination Report on Restated Consolidated Financial Statements for the three month period ended June 30, 2023 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2020	173
2.	Restated Consolidated Financial Statements for the three month period ended June 30, 2023 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2020	176

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**Independent Auditor’s Report for the Restated Consolidated Financial Statements of
Baba Food Processing (India) Limited**

To,
The Board of Directors
Baba Food Processing (India) Limited
(Formerly known as Baba Food Processing (India) Private Limited)
6th Floor, Home Décor Building,
Ratu Road, Ranchi

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Statements of **Baba Food Processing (India) Limited** (the “**Company**” or the “**Issuer**”) comprising the Restated Consolidated Statement of Assets and liabilities as on June 30, 2023, March 31, 2023, March 31, 2022 and March 2021, the Restated Consolidated Statements of Profit and Loss, the Restated Consolidated Cash Flow Statement for the financial period ended on June 30, 2023, March 31, 2023, March 31, 2022 and March 2021, the Financial Statement of Significant Accounting Policies and other explanatory information annexed to this report (the “**Restated Consolidated Financial Statements**”) for the purpose of inclusion in the Draft Red Herring Prospectus (“**DRHP**”), Red Herring Prospectus (“**RHP**”) and Prospectus (alongwith DRHP and RHP hereinafter referred as, the “**Offer Documents**”) of the Company proposed to be filed with the Securities and Exchange Board of India (“**SEBI**”), SME platform of NSE Limited (“**NSE Emerge**”) (“**Stock Exchange**”) and the relevant Registrar of Companies (“**ROC**”). These Restated Consolidated Financial Statements have been prepared by the Company and approved by the Board of Directors of the Company at their meeting held on September 08, 2023.
2. These Restated Consolidated Financial 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**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) and related amendments / clarifications from time to time issued by the SEBI; 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**”).

Management’s Responsibility for the Restated Consolidated Financial Statements

3. The Company’s Board of Directors is responsible for the preparation of the Restated Consolidated Financial Statements for the purpose of inclusion in the Offer Documents. The Restated Consolidated Financial Statements of the Company have been extracted by the management from the Audited Financial Statements (defined hereinafter) of the Company as at financial periods ended on June 30, 2023, March 31, 2023, March 31, 2022 and March 2021, which have been approved by the Board of Directors.
4. The Restated Consolidated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure 4 to the Restated Consolidated Financial Statements. The Board of Directors of the Company’s responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Statements. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations, and the Guidance Note.

Auditors’ Responsibilities

5. We have examined such Restated Consolidated Financial Statements taking into consideration:
 - a. The terms of reference and terms of our engagement agreed with you in accordance with our engagement letter; requesting us to carry out the assignment, in connection with the proposed IPO

of equity shares of the Company

- b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Statements; and
- d. The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, and the Guidance Note in connection with the proposed initial public offer of its equity shares of the Company.

6. The Restated Consolidated Financial Statements have been compiled by the management from:

- i. The audited consolidated financial statements of the Company as at and for the period ended on June 30, 2023 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Periodic Financial Statements 2024**”);
- ii. The audited financial statements of the Company as at and for the financial year ended March 31, 2023 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2023**”);
- iii. The audited financial statements of the Company as at and for the financial year ended March 31, 2022 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2022**”);
- iv. The audited financial statements of the Company as at and for the financial year ended March 31, 2021 which were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India (“**Audited Financial Statements 2021**”);

The statutory audits of the financial year ended on March 31, 2023 and for the period ended on June 30, 2023 were conducted by the us. Accordingly, the examination report included for these years is based solely on the report submitted by us on the both periods.

The statutory audits of the financial year ended on March 31, 2022 and March 31, 2021 were conducted by the CA Firm M/s. N K Kejriwal & Co., Chartered Accountants. Accordingly, the examination report included for these years is based solely on the report submitted by him on the earlier years.

7. For the purpose of our examination, we have relied on:

- a. the Auditors’ reports issued by us, dated July 20, 2023 on Audited Periodic Financial Statements as at and for the period ended on June 30, 2023 as referred in Paragraph 6 above;
- b. the Auditors’ reports issued by us, dated June 19, 2023 on Audited Financial Statements as at and for the year ended March 31, 2023 as referred in Paragraph 6 above;
- c. the Auditors’ reports issued by other CA Firm (M/s. N K Kejriwal & Co.), dated August 31, 2022 on Audited Financial Statements as at and for the year ended March 31, 2022 as referred in Paragraph 6 above;
- d. the Auditors’ reports issued by other CA Firm (M/s. N K Kejriwal & Co.), dated November 08, 2021 on Audited Financial Statements as at and for the year ended March 31, 2021 as referred in

Paragraph 6 above;

8. Based on our examination and according to the information and explanations given to us and as per the reliance placed on the audit reports, we report that the Restated Consolidated Financial Statements:
 - a. have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the period/financial years June 30, 2023; March 31, 2023; March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and groupings/classifications as at and for the same periods/years;
 - b. does not contain any qualifications requiring adjustments; and
 - c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. We have been subjected to the peer review process of the ICAI and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.
10. The Restated Consolidated Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on Audited Financial Statements mentioned in paragraph 7 above
11. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or Previous Auditor nor should this report be construed as a new opinion on any of the financial statements referred to therein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with SEBI, Stock Exchange, and ROC in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Sumit Mohit & Company
Chartered Accountants
ICAI Firm Registration No.: 021502N

CA Sumit Garg
Partner
Membership No. 506945
UDIN: 23506945BGUWDB1743

Place: Delhi
Date: September 08, 2023

Baba Food Processing (India) Limited
(Formerly known as Baba Food Processing (India) Private Limited)
Annexure - I
Summary Statement of Consolidated Restated Assets And Liabilities

(Amount Rs. in Lakhs, unless mention otherwise)

Particular's	Note No. of Annexure V	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I. Equity and Liabilities					
Shareholders' Funds					
(a) Share Capital	3	1,200.00	480.00	480.00	480.00
(b) Reserves and Surplus	4	1,492.26	2,019.97	1,516.53	1,168.95
(c) Non Controlling Interest		0.10	-	-	-
		<u>2,692.36</u>	<u>2,499.97</u>	<u>1,996.53</u>	<u>1,648.95</u>
Non - current liabilities					
(a) Deferred tax liabilities	5	211.41	204.65	196.94	172.58
(b) Long-term loans	6	1,301.87	1,169.59	1,237.35	1,246.91
		<u>1,513.27</u>	<u>1,374.24</u>	<u>1,434.29</u>	<u>1,419.49</u>
Current Liabilities					
(a) Short-Term loans	7	1,949.07	2,096.96	1,529.25	1,078.54
(b) Trade Payables	8	658.20	620.26	351.83	353.27
(c) Other Current Liabilities	9	116.35	104.12	108.47	32.39
(d) Short Term Provisions	10	51.07	115.99	47.43	51.31
		<u>2,774.69</u>	<u>2,937.33</u>	<u>2,036.98</u>	<u>1,515.51</u>
Total		<u>6,980.33</u>	<u>6,811.53</u>	<u>5,467.80</u>	<u>4,583.94</u>
II. Assets					
Non Current Assets					
(a) Property, plants and equipments	11	2,222.59	2,206.01	2,008.13	2,102.10
(b) Long term Investments	12	261.78	301.25	441.14	788.67
(c) Other current assets	13	0.19	26.28	96.73	104.41
		<u>2,484.56</u>	<u>2,533.54</u>	<u>2,546.00</u>	<u>2,995.18</u>
Current Assets					
(a) Inventories	14	3,463.23	2,447.25	1,688.03	511
(b) Trade receivables	15	830.58	1,194.15	966.13	993.61
(c) Cash And Cash Equivalents	16	61.03	437.96	119.46	9.37
(d) Other Current Assets	17	140.94	198.64	148.19	75.11
		<u>4,495.77</u>	<u>4,278.00</u>	<u>2,921.80</u>	<u>1,588.77</u>
Total		<u>6,980.33</u>	<u>6,811.54</u>	<u>5,467.80</u>	<u>4,583.95</u>

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure V and Adjustments to Audited Financial Statements appearing in Annexure IV and Reconciliation of restated Equity/ Networth appearing in Annexure V (Note 3 & 4).

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

For Sumit Mohit & Company

Chartered Accountants

Firm Reg. No.: 021502N

For and on behalf of the Board of Directors

Baba Food Processing (India) Limited

CA. Sumit Garg

Partner

Membership No. 506945

Place: Delhi

Date: 8-Sep-2023

Yogesh Kumar Sahu

Director

DIN: 02139226

Place: Ranchi

Rajesh Agrawal

Director

DIN: 06448058

Baba Food Processing (India) Limited
(Formerly known as Baba Food Processing (India) Private Limited)

Annexure - II

Summary Statement of Consolidated Restated Profit & Loss

(Amount Rs. in Lakhs, unless mention otherwise)

Particular's	Note No. of Annexure V	For the period from April 1, 2023 June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Income					
I. Revenue from operation	18	4,134.63	18,953.95	9,711.10	10,655.10
Other Income	19	4.12	10.22	45.20	114.45
II. Total Revenue		4,138.75	18,964.17	9,756.30	10,769.55
III. Expenses					
Cost of material consumed	20	3,386.96	15,665.16	8,059.79	8,767.48
Change in inventories	21	(76.26)	102.69	(199.71)	(34.78)
Purchase		32.44	324.38	73.84	133.16
Employee Benefits Expense	22	119.97	421.89	298.74	310.77
Finance costs	23	60.31	246.36	136.20	124.09
Depreciation & amortisation	24	44.18	163.32	116.12	138.58
Other expenses	25	294.74	1,342.53	990.16	1,020.76
Total Expenses		3,862.34	18,266.32	9,475.13	10,460.07
IV. Profit before exceptional and extraordinary items and tax (II-III)		276.41	697.84	281.17	309.48
V. Exceptional items		-	-	-	-
VI. Profit before extraordinary items and tax (IV - V)		276.41	697.84	281.17	309.48
VII. Extraordinary Items		-	-	-	-
VIII Profit before tax (VI- VII)		276.41	697.84	281.17	309.48
IX. Tax expense:					
(1) Current tax		77.36	186.43	55.12	29.08
(2) Tax expense / (credit) relating to prior years (net)		-	0.26	0.42	-
(3) Deferred tax		6.76	7.71	24.37	82.26
		84.12	194.40	79.91	111.34
X Profit for the period / year (VIII-IX)		192.29	503.44	201.26	198.14
XV Restated Earnings per equity share:					
(1) Basic (Rs.)	26	1.60	4.20	4.19	4.13
(2) Diluted (Rs.)		1.60	4.20	4.19	4.13
Face value per Equity Share (Rs.)		10.00	10.00	10.00	10.00

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure V and Adjustments to Audited Financial Statements appearing in Annexure IV and Reconciliation of restated Equity/ Networth appearing in Annexure V (Note 3 & 4).

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

For Sumit Mohit & Company

Chartered Accountants

Firm Reg. No.: 021502N

For and on behalf of the Board of Directors

Baba Food Processing (India) Limited

CA. Sumit Garg

Partner

Membership No. 506945

Place: Delhi

Date: 8-Sep-2023

Yogesh Kumar Sahu

Director

DIN: 02139226

Place: Ranchi

Rajesh

Agrawal

Director

DIN:

06448058

Baba Food Processing (India) Limited
(Formerly known as Baba Food Processing (India) Private Limited)

Annexure - III

(Amount Rs. in
Lakhs, unless
mention
otherwise)

Summary Statement of Consolidated Restated Cash Flow Statement

Particulars	For the period from April 1, 2023 June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
A Cash flow from operating activities :				
Net Profit before tax	276.41	697.84	281.17	309.48
Adjustments for :				
Depreciation and amortisation	44.18	163.32	116.12	138.58
Change in Working Capital:	320.59	861.16	397.28	448.06
Adjustments for increase (decrease) in operating assets:				
Inventories	(1,015.98)	(759.22)	(1,177.35)	145.03
Trade Receivables	363.57	(228.01)	27.48	98.51
Other Current Assets	57.70	(50.45)	(73.08)	16.36
Adjustments for increase (decrease) in operating liabilities:				
Trade Payables	37.93	268.43	(1.44)	227.61
Other liabilities	12.24	(4.36)	53.54	(30.48)
Cash generated from operations	(223.95)	87.55	(773.57)	905.09
Direct taxes (paid)/refund	(115.99)	(47.70)	(29.08)	(46.67)
Net cash generated from/(used in) operating activities	(339.94)	39.85	(802.65)	858.42
B Cash flow from investing activities :				
Capital expenditure on fixed assets, including capital advances	(60.76)	(361.20)	(22.14)	(3.14)
Investment	39.47	139.89	347.52	(5.25)
Miscellaneous Expenditure	(0.20)			
Net cash generated from/ (used in) investing activities	(21.48)	(221.31)	325.38	(8.39)
C Cash flow from financing activities				
Proceeds from long-term borrowings	132.29	(67.76)	(9.56)	(1,436.43)
Short Term Loans	(147.89)	567.71	450.71	577.88
Subsidy Received	-	-	146.21	-
Non Controlling Interest	0.10			
	(15.50)	499.95	587.36	(858.55)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(376.92)	318.49	110.09	(8.52)
D Cash and cash equivalents at the beginning of the period / year	437.96	119.46	9.37	17.89
E Cash and cash equivalents at the close of the period / year (D + E)	61.03	437.96	119.46	9.37
Notes:				
Cash and cash equivalents as at the close of the Year include:				
Cash In Hand	48.38	4.03	10.77	6.82
Balances with Scheduled Banks:				
- in current accounts	12.65	433.93	108.69	2.55

Cash and Cash Equivalents at the end of the period / year	61.03	437.96	119.46	9.37
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- 1 The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in Accounting Standard (AS)-3 'Cash Flow Statements' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
- 2 The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure V and Adjustments to Audited Financial Statements appearing in Annexure IV and Reconciliation of restated Equity/ Networth appearing in Annexure V (Note 3 & 4).
- 3 This is the Restated Consolidated Statement of Cash Flows referred to in our report of even date.

For Sumit Mohit & Company

Chartered Accountants
Firm Reg. No.: 021502N

For and on behalf of the Board of
Directors

Baba Food Processing (India) Limited

CA. Sumit Garg

Partner
Membership No. 506945
Place: Delhi
Date: 8-Sep-2023

Yogesh Kumar Sahu
Director
DIN: 02139226
Place: Ranchi

Rajesh Agrawal
Director
DIN: 06448058

ANNEXURE - IV**Summary Statement of Consolidated Adjustments to Audited Financial Information**

(Amount Rs. in Lakhs, unless mention otherwise)

1) Notes on material adjustments

The results of restatements made in the audited financial statements for the respective period/years and its impact on the profits/(losses) of the Company is as under.

	For the period from April 1, 2023	For the year ended	For the year ended	For the year ended
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net profit after tax as per audited financial statement	192.29	500.45	153.23	247.07
Restatement adjustment				
Add: Prior period expenses	-	2.99	-	2.09
Less: Expenses reported in next year	-	-	(2.99)	-
Add / (Less): Changes in Deferred Tax			51.02	(51.02)
Total Adjustment	-	2.99	48.03	(48.93)
Restated net profit after tax	192.29	503.44	201.26	198.14

Annexure - V

Summary Of Significant Accounting Policies and Notes to Financial Information

Note - 1

Company Overview:

Baba Food Processing (India) Private Limited ("The Company") was incorporated on April 22, 2015. The company is engaged in primarily engaged in the business of trading and milling of agricultural products.

In accordance with the provisions of Section 18 and other applicable provisions of the Companies Act, 2013, the members of the company at their Extraordinary General Meeting held on 27.05.2023, accorded their approval to convert from private limited company to public limited company. The Company has since received a fresh certificate of incorporation consequent upon change of name from the Registrar of Companies, Jharkhand U15311JH2015PLC002849 dated 20/07/2023 in respect of the said change. Accordingly, the name of the Company was changed from Baba Food Processing (India) Private Limited to Baba Food Processing (India) Limited ("BFPIL" or "the Company").

2. Basis of preparation of Restated Consolidated Financial Information

The Restated Consolidated Financial Information of the Group comprise of the restated consolidated statement of assets and liabilities as at June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the related restated consolidated statement of profit and loss, the restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the period/year ended June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, and the summary of significant accounting policies and other explanatory information (collectively, the 'Restated Consolidated Financial Information').

The Restated Consolidated Financial Information have been prepared by the management of the Company for inclusion in the Draft Red Herring Prospectus ('DRHP'), Red Herring Prospectus ('RHP') and the Prospectus in connection with its proposed initial public offering of equity shares of the Company in terms of the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the "ICDR Regulations"); and
- c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note")

The Restated Consolidated Financial Information have been prepared by the management of the Company and compiled from:

- Audited Consolidated Financial Statements of the Group as at and for the period/year ended 30th June, 2023, 31st March 2023, 31st March 2022 and 31st March 2021 prepared in accordance with the Indian GAAP as prescribed under Section 133 of the Companies Act read with Companies (Accounting Standards) Rules 2021, as amended and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meetings.

These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of board meeting on the audited special purpose consolidated interim financial statements / audited consolidated financial statements mentioned above.

The Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023, 2022, 2021 to reflect the same accounting treatment as per the accounting policy and grouping/classifications followed as at and for the period ended June 30, 2023.

b) do not require any adjustment for modification as there is no modification in the underlying audit reports.

The Restated consolidated financial information have been prepared on accrual basis under the Historical Cost Convention, except for certain financial instruments which are measured at fair values , if required , at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Restated consolidated financial information is presented in Indian Rupees ('INR') and all values are rounded to the nearest Lakhs up to two decimals, except when otherwise indicated. This restated consolidated financial information was approved by the Board of Directors of the Company in their meeting held on September 8, 2023.

Note - 2

Summary of significant accounting policies

i) Principles of consolidation:

As per the Companies Act, 2013 a – “subsidiary company” or “subsidiary”, in relation to any other company (that is to say the holding company), means a company in which the holding company:

- (i) controls the composition of the Board of Directors; or
- (ii) exercises or controls more than one-half of the total share capital either at its own or together with one or more of its subsidiary companies.

The entities considered in the restated financial statements ('CFS') are listed below: consolidated:

Name of the company	Country of Incorporation	Proportion of ownership interest	Incorporation Date
Panchakanya Foods Pvt. Ltd.	India	99%	April 5, 2023

• In case of companies or body corporates, consolidation on line to line basis is done as explained below :

- i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- ii. Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary.
- iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group.
- iv. The financial statements of subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- v. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of balance sheet.

ii) Basis of accounting and preparation of financial statements

The financial statements are prepared under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and Accounting Standards (AS) under Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. These financial statements have been prepared on a going concern basis and the accounting policies have been consistently applied by the company.

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 to the Companies Act, 2013. Based on the nature of the services and the time between the provision of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current assets classification of assets and liabilities.

iii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, if any, on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

iv) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

v) Revenue recognition

- Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company, the revenue can be reliably measured and there is certainty of ultimate collection.

- Interest income are recognized on accrual basis. Other income is accounted when the right to receive it is established.

vi) Investments

Investments are classified as non-current or current investments, based on management's intention. Investments that are readily realizable and intended to be held not more than a period are classified as current investments. All other investments are classified as non-current investments.

vii) Taxes

- Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

- Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax or substantively enacted tax rates at the balance sheet date, as applicable, to the extent that the timing differences are expected to crystallize.

- Deferred Tax Assets are recognized where realization is reasonably certain. In case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognized only if there is a virtual certainty of realization supported by convincing evidence. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

viii) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets in accordance with notified Accounting Standard 16 "Borrowing costs". A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

ix) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for:

(1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

x) Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the period.

xi) Property, Plant & Equipment's

The Property, Plant & Equipment's are recorded at cost of acquisition less accumulated depreciation. Cost of acquisition comprises of purchase price and any attributable costs of bringing the assets to their working condition for their intended use.

xii) Depreciation / Amortisation

Depreciation on tangible fixed assets is provided on Straight Line Method at the rates specified in Schedule II to the Companies Act, 2013. Depreciation on additions to fixed assets is provided on pro-rata basis from the date the asset is put to use. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction / scrapping, as the case may be. Assets taken on finance lease are depreciated over the tenure of the lease. Assets costing Rs. 5,000 or less per item are fully depreciated in the year of purchase.

Intangible assets consisting of Software are amortised on a straight line basis over a period of one year(100%) from the date when the assets are available for use.

xiii) Leases

Operating Lease payments are recognized as an expense in the Statement of Profit & Loss on a straight line basis over the lease term. Assets under finance lease are capitalized at the Inception of lease term at the lower of fair value of the lease property and present value of minimum lease payment. Assets under operating lease are included under Fixed Assets. Lease income on these assets is recognized in the statement of Profit & Loss.

xiv) Impairment

The carrying values of assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the assets recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Profit and Loss Account. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

xv) Government Grants & Subsidies

Grants & Subsidies from the Government are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grant / subsidy will be received. Government Grants related to depreciable assets are treated as deferred income and recognized in the Statement of Profit & Loss in equal amounts over the expected useful life of the related assets. Government Grants related to revenue are recognized on systematic basis in statement of Profit & Loss over the period necessary to match them with the related costs which they are intended to compensate.

xvi) Inventories

Inventories are valued at lower of average cost and net realizable value

Raw materials, stores and spares and packing materials

Lower of cost or net realisable value. Cost is determined on Average basis and includes all the cost incurred in bringing the goods to be their present location and condition.

Finished goods

Lower of cost and net realisable value. Cost includes cost of raw materials, direct overheads which are incurred to bring the inventories to their present location and condition.

xvii) Retirement and other employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, bonus etc. are recognised in the Profit and Loss Account in the period in which the employee renders the related service. Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services.

xviii) Gratuity

Gratuity is a post-employment benefit and is in the nature of defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date.

The defined benefit/obligations calculated at the balance sheet date in line with AS 15 and any gains or losses are recognised immediately in the statement of profit and loss

Annexure - V

Summary Of Significant Accounting Policies and Notes to Financial Information

(Amount Rs. in Lakhs, unless mention otherwise)

Note -3

Share Capital:

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Authorised				
Number of Equity Shares	1,75,00,000	50,00,000	50,00,000	50,00,000
Equity Shares of face value of Rs. 10 each (Rs. In Lakhs)	1,750.00	500.00	500.00	500.00
	1,750.00	500.00	500.00	500.00
Issued, Subscribed And Paid Up				
Number of Equity Shares	1,20,00,003	48,00,000	48,00,000	48,00,000
Equity Shares of face value of Rs. 10 each fully paid up (Rs. in Lakhs)	1,200.00	480.00	480.00	480.00
	1,200.00	480.00	480.00	480.00

As Per Balance Sheet

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period / year
Equity shares**

Opening balance at the beginning of the period / year	48,00,000	48,00,000	48,00,000	48,00,000
Opening balance at the beginning of the period / year (Rs in Lakhs)	480.00	480.00	480.00	480.00
Add: Issued during the period / year	72,00,003	-	-	-
Add: Issued during the period / year (Rs in Lakhs):*	720.00	-	-	-
Outstanding at the end of the period / year (Number)	1,20,00,003	48,00,000	48,00,000	48,00,000
Outstanding at the end of the period / year (Rs in Lakhs)	1,200.00	480.00	480.00	480.00

* Note: During the period June 30, 2023 company has issued bonus shares at ratio 3:2 as on May 29, 2023

b. Details of shareholders holding more than 5% shares in the company

No. of Shareholders	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Yogesh Kumar Sahu	1,09,21,250	43,68,500	10,89,000	10,89,000
Ekta Sahu	-	-	3,73,500	3,73,500
Gyan Prakash Sahu	-	-	12,61,500	12,61,500
Gyan Prakash Sahu HUF	-	-	3,25,500	3,25,500
Sudhir Kumar Sahu	-	-	9,00,000	9,00,000
Sudhir Kumar Sahu HUF	-	-	2,66,500	2,66,500
Total	1,09,21,250	43,68,500	42,16,000	42,16,000

(Amount Rs. in Lakhs, unless mention otherwise)

c. Share held by promoters at the end of the year / period

No. of Shareholders	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Yogesh Kumar Sahu	1,09,21,250	43,68,500	10,89,000	10,89,000
Binita Sahu	4,98,738	1,99,500	1,99,500	1,99,500
Yogesh Kumar Sahu HUF	5,80,000	2,32,000	2,32,000	2,32,000
Ekta Sahu	-	-	3,73,500	3,73,500
Gyan Prakash Sahu	-	-	12,61,500	12,61,500
Gyan Prakash Sahu HUF	-	-	3,25,500	3,25,500
Sudhir Kumar Sahu	-	-	9,00,000	9,00,000
Sudhir Kumar Sahu HUF	-	-	2,66,500	2,66,500
Krishna Devi	-	-	1,52,500	1,52,500
Total	1,19,99,988	48,00,000	48,00,000	48,00,000

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.

Note -4

Reserves And Surplus

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Subsidy Reserve				
Balance as at the beginning of the period / year	792.42	792.42	646.21	646.21
Add: Additions during the period / year	-	-	146.21	-
	<u>792.42</u>	<u>792.42</u>	<u>792.42</u>	<u>646.21</u>
Surplus in the statement of profit and loss				
Balance as per last financial statements	1,227.54	724.10	522.74	324.60
Add: Profit for the period / year	192.29	503.44	201.26	198.14
Less: Bonus share issued	(720.00)	-	-	-
Add: Professional tax payable	-	-	0.13	-
Less: TDS	-	-	(0.03)	-
	<u>699.84</u>	<u>1,227.54</u>	<u>724.10</u>	<u>522.74</u>
As Per Balance Sheet	<u>1,492.26</u>	<u>2,019.97</u>	<u>1,516.53</u>	<u>1,168.95</u>

Note -5

Deferred Tax Liabilities

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities	211.41	204.65	196.94	172.58
As Per Balance Sheet	<u>211.41</u>	<u>204.65</u>	<u>196.94</u>	<u>172.58</u>

(Amount Rs. in Lakhs, unless mention otherwise)

Note -6

Long-Term Loan

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Secure Loan - Term Loan - II (Against Subsidy)	138.09	138.09	284.30	646.21
Secure Loan - Term Loan - III	-	-	0.35	181.71
Secured Loan - Mid Term Loan	351.11	351.11	124.44	217.78
Secured Loan - Vehicle Loan	53.55	53.27	-	-
Unsecured loans	638.82	627.12	828.25	201.21
Loan from directors	120.30	-	-	-
As Per Balance Sheet	1,301.87	1,169.59	1,237.35	1,246.91

Note -7

Short-Term Loan

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Cash Credit	1,875.94	1,443.56	1,435.92	1,016.32
WHR Loans	-	304.31	-	-
Adhoc Loan	-	251.06	-	-
Mid Term Loan (EMI due Within One Year)	70.00	93.33	93.33	62.22
Vehicle Loan (EMI due Within One Year)	3.13	4.70	-	-
As Per Balance Sheet	1,949.07	2,096.96	1,529.25	1,078.54

Note -8

Trade Payable

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) MSME	-	-	-	-
(ii) Others	658.20	620.26	351.83	353.27
(iii) Disputed dues — MSME	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-
As Per Balance Sheet	658.20	620.26	351.83	353.27

(Amount Rs. in Lakhs, unless mention otherwise)

Trade Payables ageing schedule as at June 30, 2023					
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)MSME	-	-	-	-	-
(ii)Others	645.20	11.56	0.83	0.61	658.20
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-
Total	645.20	11.56	0.83	0.61	658.20

Trade Payables ageing schedule as at March 31, 2023					
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)MSME	-	-	-	-	-
(ii)Others	600.29	5.21	14.27	0.49	620.26
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-
Total	600.29	5.21	14.27	0.49	620.26

Trade Payables ageing schedule as at March 31, 2022					
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)MSME	-	-	-	-	-
(ii)Others	288.18	28.71	6.26	28.68	351.83
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-
Total	288.18	28.71	6.26	28.68	351.83

Trade Payables ageing schedule as at March 31, 2021					
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)MSME	-	-	-	-	-
(ii)Others	318.33	6.26	28.68	-	353.27
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-
Total	318.33	6.26	28.68	-	353.27

(Amount Rs. in Lakhs, unless mention otherwise)

Note -9

Other Current Liabilities

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities	16.01	23.31	10.39	15.99
Advance From Customer	20.38	18.41	46.81	-
Other Payable	79.95	62.40	51.27	16.40
As Per Balance Sheet	116.35	104.12	108.47	32.39

Note -10

Short-Term Provisions

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Provision for Taxation	51.07	115.99	47.43	51.31
As Per Balance Sheet	51.07	115.99	47.43	51.31

Note -12

Investments

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Fixed Deposit	213.05	252.52	393.51	742.63
Other Deposits	48.73	48.73	46.14	46.04
Invest In Equity Share unlisted	-	-	1.50	-
As Per Balance Sheet	261.78	301.25	441.14	788.67

Note - 13

Other Non- Current Assets

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
MAT Opening	26.28	96.73	104.41	35.52
Add: Previous year MAT CREDIT	-	-	-	46.67
Add: MAT Credit during the year	-	-	-	22.23
Less: MAT Credit Utilised	(26.28)	(70.45)	(7.69)	-
	-	26.28	96.73	104.41
Preliminary Expense	0.19	-	-	0.52
Pre- Operative Expense	-	-	-	15.56
Less Written off	-	-	-	(16.08)
As Per Balance Sheet	0.19	26.28	96.73	104.41

Note -11
Property, Plant and Equipments
As at June 30, 2023

(Amount Rs. in Lakhs, unless mention otherwise)

Particulars	Rate of Dep.	Gross Block				Depreciation				Net Block	
		Gross Block As on 01.4.2023	Additions during the year	Deletion / Adjust / Sale During the year	Gross Block as on 30.06.2023	Depreciation upto 31.03.2022	Depreciation for the period	Less: On Deletion	Total Upto 31.03.2023	As on 30.06.2023	As on 31.03.2023
Land	0.00%	-	10.76	-	10.76	-	-	-	-	10.76	-
Building & Civil Works	3.17%	762.13	4.95	-	767.08	131.55	6.04	-	137.59	629.49	630.58
Plant & Machinery	6.33%	1,990.05	0.26	-	1,990.31	629.60	31.49	-	661.09	1,329.22	1,360.45
Furniture, Fixtures & Equipments	9.50%	3.25	0.08	-	3.33	1.25	0.08	-	1.33	2.01	2.00
Computers	31.67%	8.34	1.21	-	9.55	7.22	0.66	-	7.88	1.67	1.12
Vehicles	15.83%	149.17	-	-	149.17	24.83	5.90	-	30.74	118.44	124.34
Capital Work in Progress / Advances		87.51	43.50	-	131.01	-	-	-	-	131.01	87.51
TOTAL		3,000.46	60.76	-	3,061.22	794.45	44.17	-	838.63	2,222.59	2,206.01

As at March 31, 2023

Particulars	Rate of Dep.	Gross Block				Depreciation				Net Block	
		Gross Block As on 01.4.2022	Additions during the year	Deletion / Adjust / Sale During the year	Gross Block as on 31.03.2023	Depreciation upto 31.03.2022	Depreciation for the period	Less: On Deletion	Total Upto 31.03.2023	As on 31.03.2023	As on 31.03.2022
Building & Civil Works	3.17%	675.98	86.16	-	762.13	110.11	21.44	-	131.55	630.58	565.87
Plant & Machinery	6.33%	1,926.77	63.28	-	1,990.05	505.02	124.58	-	629.60	1,360.45	1,421.75
Furniture, Fixtures & Equipments	9.50%	2.42	0.83	-	3.25	0.95	0.30	-	1.25	2.00	1.48
Computers	31.67%	6.64	1.70	-	8.34	4.86	2.36	-	7.22	1.12	1.78
Vehicles	15.83%	27.45	121.72	-	149.17	10.20	14.63	-	24.83	124.34	17.25
Capital Work in Progress / Advances		-	87.51	-	87.51	-	-	-	-	87.51	-
TOTAL		2,639.26	361.20	-	3,000.46	631.14	163.32	-	794.45	2,206.01	2,008.13

As at March 31, 2022

(Amount Rs. in Lakhs, unless mention otherwise)

Particulars	Rate of Dep.	Gross Block				Depreciation				Net Block	
		Gross Block As on 01.4.2021	Additions during the year	Deletion / Adjust / Sale During the year	Gross Block as on 31.03.2022	Depreciation upto 31.03.2021	Depreciation for the period	Less: On Deletion	Total Upto 31.03.2022	As on 31.03.2022	As on 31.03.2021
Building & Civil Works	3.17%	675.98	-	-	675.98	91.58	18.53	-	110.11	565.87	584.39
Plant & Machinery	6.33%	1,919.38	7.39	-	1,926.77	409.38	95.64	-	505.02	1,421.75	1,510.00
Furniture, Fixtures & Equipments	9.50%	2.42	-	-	2.42	0.79	0.16	-	0.95	1.48	1.63
Computers	31.67%	4.93	1.72	-	6.64	4.61	0.25	-	4.86	1.78	0.32
Vehicles	15.83%	14.42	13.03	-	27.45	8.66	1.54	-	10.20	17.25	5.76
TOTAL		2,617.12	22.14	-	2,639.26	515.02	116.12	-	631.14	2,008.13	2,102.10

As at March 31, 2021

Particulars	Rate of Dep.	Gross Block				Depreciation				Net Block	
		Gross Block As on 01.4.2020	Additions during the year	Deletion / Adjust / Sale During the year	Gross Block as on 31.03.2021	Depreciation upto 31.03.2020	Depreciation for the period	Less: On Deletion	Total Upto 31.03.2021	As on 31.03.2021	As on 31.03.2020
Building & Civil Works	3.17%	675.98	-	-	675.98	72.45	19.13	-	91.58	584.39	603.53
Plant & Machinery	6.33%	1,916.88	2.50	-	1,919.38	307.40	101.98	-	409.38	1,510.00	1,609.48
Furniture, Fixtures & Equipments	9.50%	2.11	0.32	-	2.42	0.64	0.15	-	0.79	1.63	1.47
Computers	31.67%	4.60	0.33	-	4.93	4.44	0.17	-	4.61	0.32	0.16
Vehicles	15.83%	14.42	-	-	14.42	7.58	1.08	-	8.66	5.76	6.84
TOTAL		2,613.98	3.14	-	2,617.12	392.51	122.51	-	515.02	2,102.10	2,221.47

Note - 14

(Amount Rs. in Lakhs, unless mention otherwise)

Inventories

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(At lower of cost and net realisable value)				
Raw Material	2,968.94	2,049.84	1,125.42	207.89
Work-in-Progress	246.43	127.82	117.58	77.97
Finished Goods	76.51	126.24	239.17	79.06
Trading Goods	7.38	-	-	-
Stores & Spares	44.30	25.23	103.40	56.18
Empty bags	119.66	118.12	102.45	89.57
As Per Balance Sheet	3,463.23	2,447.25	1,688.03	510.68

Note -15**Trade receivables**

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) Undisputed Trade receivables — considered good	830.58	1,194.15	966.13	993.61
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-
As Per Balance Sheet	830.58	1,194.15	966.13	993.61

Trade Receivables ageing schedule as at June 30, 2023						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months -1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
(i) Undisputed Trade receivables — considered good	751.07	15.91	30.57	31.90	1.13	830.58
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	751.07	15.91	30.57	31.90	1.13	830.58

Trade Receivables ageing schedule as at March 31, 2023						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months -1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
(i) Undisputed Trade receivables — considered good	1,109.06	11.74	32.06	25.63	15.66	1,194.15
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	1,109.06	11.74	32.06	25.63	15.66	1,194.15

Trade Receivables ageing schedule as at March 31, 2022		(Amount Rs. in Lakhs, unless mention otherwise)				
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months -1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
(i) Undisputed Trade receivables — considered good	653.60	14.24	57.68	70.02	170.60	966.13
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	653.60	14.24	57.68	70.02	170.60	966.13

Trade Receivables ageing schedule as at March 31, 2021		(Amount Rs. in Lakhs, unless mention otherwise)				
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months -1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
(i) Undisputed Trade receivables — considered good	707.74	45.25	55.02	165.50	20.10	993.61
(ii) Undisputed Trade Receivables — considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	707.74	45.25	55.02	165.50	20.10	993.61

Note -16

Cash and Cash Equivalents

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(a) Balance with Banks				
In Current Accounts	12.65	433.93	108.69	2.55
(b) Cash on Hand	48.38	4.03	10.77	6.82
As Per Balance Sheet	61.03	437.96	119.46	9.37

Note -17

Other Current Assets

	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Duties & Taxes	-	-	-	0.04
Advance Freight	-	-	0.79	-
Tax Refundable	-	-	17.53	-
Advance Tax & TDS	22.84	108.19	59.40	69.26
Prepaid Expenses	12.97	10.18	4.94	5.65
Advance to Supplier	86.10	75.32	62.31	-
Other Advances	13.61	-	-	-
Staff Advance	5.42	4.94	3.22	0.16
As Per Balance Sheet	140.94	198.64	148.19	75.11

(Amount Rs. in Lakhs, unless mention otherwise)

	For the period from April 1, 2023 June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Note -18				
Revenue from operation:				
Sale of products	4,134.63	18,953.95	9,711.10	10,655.10
As Per Statement of Profit and Loss	4,134.63	18,953.95	9,711.10	10,655.10

Note -19				
Other Income:				
Interest on FDR & security deposits	1.08	9.28	13.19	29.20
Insurance & Other Claim Received	3.05	0.94	23.29	76.89
Misc Income	-	-	8.72	8.36
As Per Statement of Profit and Loss	4.12	10.22	45.20	114.45

Note -20				
Cost of Material Consumed				
Opening stock	2,049.84	1,125.42	207.89	394.77
Add: Purchases	4,306.07	16,589.58	8,977.32	8,580.60
Less: Closing stock	(2,968.94)	(2,049.84)	(1,125.42)	(207.89)
As Per Statement of Profit and Loss	3,386.96	15,665.16	8,059.79	8,767.48

Note -21				
Change in Inventories				
<u>Inventories at the end of the year:</u>				
Finished goods, Trading Goods & WIP	330.32	254.06	356.75	157.04
	330.32	254.06	356.75	157.04
<u>Inventories at the beginning of the year:</u>				
Finished goods & WIP	254.06	356.75	157.04	122.26
	254.06	356.75	157.04	122.26
As Per Statement of Profit and Loss	(76.26)	102.69	(199.71)	(34.78)

Note -22				
Employees benefit expenses:				
Salaries and Wages, ESI & PF	116.12	406.69	298.74	310.77
Gratuity expenses	3.85	15.20	-	-
As Per Statement of Profit and Loss	119.97	421.89	298.74	310.77

(Amount Rs. in Lakhs, unless mention otherwise)

Note -23

Finance Costs:

Interest and Charges	48.60	199.56	119.26	124.09
Interest on Inter Corporate Deposits	11.70	46.80	16.94	-
As Per Statement of Profit and Loss	60.31	246.36	136.20	124.09

Note -24

Depreciation and amortisation:

Depreciation	44.17	163.32	116.12	122.51
Preliminary Expense W/Off	0.01	-	-	16.08
As Per Statement of Profit and Loss	44.18	163.32	116.12	138.58

Note -25

Other Expenses:

Power & Fuel	65.84	291.86	212.52	202.98
Consumption of Stores and Spare Parts	13.88	97.05	69.99	119.80
Consumption of Packing Materials	87.81	381.28	282.18	330.64
Discount & Rebate	23.79	178.48	100.33	-
Advertisement expenses	-	-	0.55	-
Fooding & Accomdation expenses	2.48	11.08	9.02	6.13
Rent including Lease Rentals	5.07	27.23	5.25	4.19
Annual Maintenance Contract	-	-	0.61	-
Civil Material & Const Works	-	-	2.41	-
Repairs and Maintenance - Building	1.30	4.03	0.41	0.57
Repairs and Maintenance -Plant & Machinery	0.59	8.95	0.16	0.50
Repair & Maintainance (Computer)	0.10	0.26	0.01	-
Repairs and Maintenance -Vehicle	1.24	12.47	3.64	0.76
Repairs and Maintenance -Electricals	0.05	0.01	0.03	0.08
Repairs and Maintenance -Office Equipments	-	-	-	0.00
Fumigation & Pest Control	-	4.40	0.06	0.12
Insurance	6.34	13.58	10.26	8.26
Registraton, Rates and Taxes	1.99	2.21	1.17	2.66
Communication	0.13	0.98	0.46	0.23
Testing Charges	-	0.05	-	0.15
Travelling and Conveyance	5.31	22.82	5.44	3.58
Postage & Courier	0.04	0.51	0.03	0.04
Printing and Stationery	0.23	1.65	0.25	0.06
Commission	5.51	18.05	17.34	48.04
Donations and Contributions	1.36	1.30	0.16	0.03
Cattle Expenses	0.47	1.16	0.45	-
Consultancy / Professional fees	2.18	6.29	4.76	0.30
Payment to Auditors	-	-	-	-
- For Statutory Audit	0.88	3.50	0.67	0.50
- For Tax Audit	0.19	0.75	-	-
- For Internal Audit	1.50	6.00	-	-
Audit Expense	-	0.16	0.05	-
Business Promotion	-	1.47	0.87	1.09
Carriage Outward	58.60	224.03	184.26	231.10
Puja Expenses	0.13	2.80	0.11	0.13
Staff Welfare Expenses	3.48	10.37	6.54	5.93
Security Guard	1.39	5.37	3.58	3.96
Miscellaneous Expenses	2.86	2.40	4.41	0.64
GST Expenses	-	-	62.21	48.28
As Per Statement of Profit and Loss	294.74	1,342.53	990.16	1,020.76

26

Disclosure in respect of Accounting Standard – 20 on "Earnings Per Share" as notified under the Companies (Accounting Standards) Rules, 2006, as amended:

(Amount Rs. in Lakhs, unless mention otherwise)

Particulars	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net Profit available for equity shareholders –(Rs.)	192.29	503.44	201.26	198.14
Outstanding weighted average number of shares	1,20,00,003	1,20,00,003	48,00,000	48,00,000
Nominal value per equity share – (Rs.)	10.00	10.00	10.00	10.00
Basic earnings per equity share (Rs.)	1.60	4.20	4.19	4.13

Note: During the period June 30, 2023 company has issued bonus shares at ratio 3:2 as on May 29, 2023. EPS has been calculated considering numbers of bonus shares during the period June 30, 2023 and corresponding FY ending March 31, 2023

27 Related party transactions:

Disclosures in respect of AS - 18 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended:

1. Names of the related parties with whom transaction were carried out during the years and description of relationship:

a) Name of related parties by whom control is exercised	NA
b) Subsidiary Companies	Panchakanya Foods Private Limited
c) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise	Mr. Yogesh Kumar Sahu
	Mrs. Binita Sahu
	Yogesh Kumar Sahu HUF
d) Name of Key Management Personnels	Mr. Yogesh Kumar Sahu, MD Mr. Rajesh Agrawal, WTD
e) Relative of Key Management Personnels	Mrs. Binita Sahu (Spouse of Yogesh Kr Sahu) Mrs. Amita Agrawal (Spouse of Rajesh Agrawal) Mr. Gyan Prakash Sahu (Brother of Yogesh Kr. Sahu)
f) Enterprises where Key managerial personnel along with their relatives exercise significant influence'	Baba Agro Food Ltd YKS Warehousing & Logistics Pvt. Ltd. Royal Ville Nutrifood Pvt Ltd

2. Transaction with Key Management Personnel/Directors (Amount Rs. in Lakhs, unless mention otherwise)

Particulars	For the period ended 30 June 2023	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Remuneration:				
Mrs Binita Sahu	6.00	36.00	32.10	-
Mr Yogesh Kumar Sahu	3.00	12.00	12.00	69.00
Mrs Rakhi Sahu	-	-	14.10	-
Mrs Ekta Sahu	-	-	22.90	24.00
Mr Rajesh Agrawal	9.00			
Rent Paid:				
Mr. Yogesh Kumar Sahu	0.77	3.06	2.98	3.06
Interest Paid:				
Baba Agro Food Ltd	11.70	46.80	16.94	-
Land Purchase:				
Gyan Prakash Sahu	10.00	-	-	-

Sales:				
Baba Agro Food Ltd	-	236.66	-	-
Purchase:				
Panchakanya Foods Pvt Ltd	6.49	-	-	-
Royal Ville Nutri Food Pvt Ltd	10.23	-	-	-
YKS Warehousing & Logistics Pvt Ltd.	5.95	-	-	-
Loan Taken:				
Baba Agro Food Ltd.	-	-	-	-
Mr. Yogesh Kumar Sahu	110.30	-	-	-
Mrs. Binita Sahu	10.00	-	-	-

3. Balances Outstanding at the end of the Year (Amount Rs. in Lakhs, unless mention otherwise)

Nature of transaction	As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Inter corporate deposit taken	638.82	627.12	600.25	-
Trade Payables (Advance Received)	441.09	441.09	-	-
Borrowings from directors	120.30	-	228.00	-

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which the relationship existed. Related party relationships as given above are as identified by the Company and relied upon by the auditors.

28. STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs Rs., except per share data)

Particulars	30-Jun-23	March 31, 2023	March 31, 2022	March 31, 2021
Net Worth (A)	2,692.36	2,499.97	1,996.53	1,648.95
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	380.90	1,107.52	533.48	572.15
Restated profit after tax (B)	192.29	503.44	201.26	198.14
Number of equity share outstanding as on the end of year/period	1,20,00,003	1,20,00,003	48,00,000	48,00,000
Weighted average number of equity shares outstanding during the year/period (D) -	1,20,00,003	1,20,00,003	48,00,000	48,00,000
Weighted average number of diluted equity shares outstanding during the year/period (E) -	1,20,00,003	1,20,00,003	48,00,000	48,00,000
Current assets (E)	4,495.77	4,278.00	2,921.80	1,588.77
Current liabilities (F)	2,774.69	2,937.33	2,036.98	1,515.51
Basic earning per share (INR) (B/D)	1.60	4.20	4.19	4.13
Diluted earning per share (INR) (B/E)	1.60	4.20	4.19	4.13
Return on net worth (%) (B/A)	7.14%	20.14%	10.08%	12.02%
Net asset value per share - (A/C) (Face value of Rs. 10 each)	22.44	20.83	41.59	34.35
Current ratio (E/F)	1.62	1.46	1.43	1.05

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.): Net profit after tax, as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.): Net profit after tax, as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year

(c) Return on net worth (%): Net profit after tax, as restated / Net worth at the end of the period or year

(d) Net assets value per share (Rs.) -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) Net worth has been calculated as sum of Equity Share Capital and Reserves and surplus (*comprising of Subsidy Reserve & Reserve and Surplus of Profit and Loss Account*)

29. STATEMENT OF TAX SHELTER

(Amount Rs. in Lakhs, unless mention otherwise)

Particulars	For the year ended			
	30-Jun-23	March 31, 2023	March 31, 2022	March 31, 2021
A Profit before taxes as restated	276.41	697.84	281.17	309.48
- Taxable at normal Rate	276.41	697.84	281.17	309.48
- Taxable at special Rate	-	-	-	-
B Normal Tax Rate Applicable %	27.82%	27.82%	27.82%	27.82%
Special Tax Rate Applicable %				
C Tax Impact (A*B)	76.90	194.14	78.22	86.10
D Adjustments:				
Difference in depreciation	(2.17)	(42.91)	(87.59)	(112.26)
Preliminary expense (1/5th of expense) deduction u/s 80JJAA	-	-	-	-
36 Disallowance	3.85	18.18	1.56	-
Total	1.68	(24.73)	(86.03)	(112.26)
E Unabsorbed Loss/(Carried Forward Loss Set off)	-			(90.59)
F Net Adjustment (F) = (D+E)	1.68	(24.73)	(86.03)	(202.85)
G Tax Expenses/ (Saving) thereon	0.47	(6.88)	(23.93)	(56.43)
H Net Tax Expenses	77.36	187.26	54.29	29.66
I Deferred Tax (Annexure 29.1)	6.76	7.71	24.37	82.26
J Total tax expenses (H+I)	84.12	194.97	78.65	111.92

29.1 STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES AS RESTATED

(Amount Rs. in Lakhs, unless mention otherwise)

Particulars	As at			
	30-Jun-23	March 31, 2023	March 31, 2022	March 31, 2021
A WDV as per Companies Act, 2013	2,091.58	2,118.49	2,008.12	2,102.10
B WDV as per Income tax Act, 1961	1,327.82	1,367.67	1,300.20	1,481.77
Difference in WDV (A-B)	763.76	750.82	707.92	620.33
C Deferred Tax (Asset)/ Liability	212.48	208.88	196.94	172.58
Preliminary expenses	-	-	-	-
Gratuity provision	3.85	15.20	-	-
Unrealised gain	-	-	-	-
Unrealised loss	-	-	-	-
Carried Forward loss	-	-	-	-
Speculation loss	-	-	-	-
Depreciation loss	-	-	-	-
D Total	3.85	15.20	-	-
E Deferred Tax (Asset)/ Liability (D)	(1.07)	(4.23)	-	-
Long term capital loss	-	-	-	-
Short term capital loss	-	-	-	-
F Total	-	-	-	-
G Deferred Tax (Asset)/ Liability (F)	-	-	-	-
H Total Deferred Tax (Asset)/ Liability (C+E+G)	211.41	204.65	196.94	172.58
Restated Closing Balance of Deferred Tax (Asset)/ Liability	211.41	204.65	196.94	172.58
Deferred Tax (Assets)/ Liability as per Balance sheet of Previous Year	204.65	196.94	172.58	90.32
Deferred Tax (Assets)/ Liability should be charged to Profit & Loss	6.76	7.71	24.37	82.26

Notes:

1. The aforesaid statement of tax shelters has been prepared as per the restated summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax return respective years stated above.

2. The 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

30. STATEMENT OF CAPITALISATION

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	Pre Issue	Post Issue
	30-Jun-23	
Debt		
Short Term Debt	1,949.07	[,]
Long Term Debt	1,301.87	
Total Debt	3,250.94	
Shareholders' Fund (Equity)		
Share Capital	1,200.00	[,]
Reserves & Surplus	1,492.26	
Less: Miscellaneous Expenses not w/off	-	
Total Shareholders' Fund (Equity)	2,692.26	
Long Term Debt/Equity	0.48	[,]
Total Debt/Equity	1.21	
Notes:		
1. Short term debts represents the debts which are expected to be paid/payable within 12 months .		
2. Long term debts represent debts other than Short term debts as defined above and also excludes installment of term loans repayable within 12 months grouped under short term debt.		
3. The figures disclosed above are based on restated statement of assets and liabilities of the Company as at 30/06/2023		

31. CONTINGENT LIABILITIES & COMMITMENTS

(Amount in Lakhs, figures in INR)

Particulars	30-Jun-23	March 31, 2023	March 31, 2022	March 31, 2021
	Export Obligation against Import of Machinery under EPCG	82.29	82.29	82.29
For the above Export Obligation Guarantees provided by bank	22.96	22.96	22.96	22.96
Total Contingent Liabilities	105.25	105.25	105.25	105.25

As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29 (AS 29) Provisions, Contingent Liabilities and Contingent Assets as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

31. SEGMENT REPORTING

(i) Business Segment

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment. The company is engaged in manufacturing of Flour & Atta.

(ii) Geographical Segment

The Company activities / operations are confined in India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

32. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximizes shareholder value. The company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders or issue new shares. The company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the period/year ended June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021. The company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio is as follows.

(Amount in Lakhs, figures in INR)

Particulars	For the year ended			
	30-Jun-23	March 31, 2023	March 31, 2022	March 31, 2021
	Amount	Amount	Amount	Amount
Borrowings	3,250.94	3,266.54	2,766.60	2,325.45
Less: cash and cash equivalents	61.03	437.96	119.46	9.37
Adjusted net debt	3,189.91	2,828.58	2,647.14	2,316.08
Total Equity	2,692.36	2,499.97	1,996.53	1,648.95
Adjusted net debt to adjusted equity ratio	1.18	1.13	1.33	1.40

33. EVENTS AFTER REPORTING DATE

Panchakanya Foods Private Limited has become a wholly owned subsidiary of the company w.e.f. July 20, 2023

34. FINANCIAL RISK MANAGEMENT

The company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the company. Together they help in achieving the business goals and objectives consistent with the company's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/ committees reviews the adequacy and effectiveness of the risk management policy and internal control system. The company's financial risk management is an integral part of how to plan and execute its business strategies. The company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

(A) Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

(i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

Summary of the company's exposure to credit risk by age of the outstanding from various customers is as follows:

Trade Receivable

(Amount in Lakhs, figures in INR)

Particulars	For the year ended			
	30-Jun-23	March 31, 2023	March 31, 2022	March 31, 2021
Unsecured				
-Considered good	830.58	1,194.15	966.13	993.61
-Considered doubtful	-	-	-	-
Gross Trade Receivables	830.58	1,194.15	966.13	993.61
Less: Provision for Doubtful debts	-	-	-	-
Net Trade Receivables	830.58	1,194.15	966.13	993.61

(ii) Cash and bank balances

The company held cash and cash equivalent and other bank balance of INR 51.23 lakhs at June 30, 2023, INR 437.96 lakhs at March 31, 2023, INR 119.46 lakhs at March 31, 2022 and INR 9.37 lakhs at March 31, 2021. The same are held with bank and financial institution counterparties with good credit rating. Also, company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the company to credit risk.

(B) Market Risk

Market risk is the risk that changes in market prices – such as interest rates and equity prices – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The company's exposure to, and management of, these risks is explained below.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in Lakhs, figures in INR)

Particulars	For the year ended			
	30-Jun-23	March 31, 2023	March 31, 2022	March 31, 2021
Variable rate borrowings	421.11	444.44	218.13	461.71
Fixed rate borrowings	2,829.83	2,822.10	2,548.47	1,863.74

Sensitivity:

A change of 100 basis points in interest rates would have following impact on profit after tax and equity -

Particulars	For the year ended			
	30-Jun-23	March 31, 2023	March 31, 2022	March 31, 2021
Interest rates – increase by 100 basis points *	30.40	32.08	15.74	33.33
Interest rates – decrease by 100 basis points *	(30.40)	(32.08)	(15.74)	(33.33)

* Holding all other variables constant

(ii) Foreign currency risk

There are no foreign currency transactions in the Company during all the periods under review, hence this risk is not applicable to the Company.

- 35 The loan taken from director is due and repayable at the option of the company before the expiration of the term. There is no continuing default as at 30 June 2023, 31 March 2023, 2022 and 2021 in the repayment of the respective loan or Interest amounts.
- 36 In the opinion of the Board of Directors, all current assets, short-term and long-term loans and advances appearing in the balance sheet as at 30 June 2023, 31 March 2023, 2022 and 2021 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet and no provision is required to be made against the recoverability of these balances.
- 37 The Company has not entered into any derivative instruments during the period. There are no foreign currency exposures as at 30 June 2023, 31 March 2023 and March 31, 2022.
- 38 There are no capital and other commitments to be reported as at 30 June 2023, 31 March 2023, March 31, 2022 and March 31, 2021.
- 39 In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 30 June 2023, 31 March 2023, 2022 & 2021.
- 40 The disclosure in respect of the amounts payable to Micro, Small and Medium enterprises as at 30 June 2023, 31 March 2023, 2022 & 2021 has been made in the financial statements based on information received and available with the Company. Based on the information currently available with the Company, there are no dues payable to Micro and Small 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006.
- 41 In the opinion of the Board of Directors, no provision is required towards diminution in value of non-current investments.
- 42 (i) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
(ii) The Company has not advanced or loaned or invested any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediaries shall;
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 43 There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) during the year / period ended June 30, 2023, March 31, 2023 and March 31, 2022.
- 44 There are no any bank or financial institution or other lender declared to Company a willful defaulter during the period / year.
- 45 The company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year / period ended June 30, 2023, March 31, 2023 and March 31, 2022.
- 46 There are no charges or satisfaction yet to be registered with Registrar of Companies by the Company during the year / period June 30, 2023, March 31, 2023 and March 31, 2022.
- 47 The Company did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 48 The Company has not traded or invested in crypto currency or virtual currency during the financial year / period ended June 30, 2023, March 31, 2023 and March 31, 2022.
- 49 No layer of the company has been established beyond the limit prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- 50 No loan or advances in the nature of loans are granted to the promoters, directors, key managerial persons and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are:
(a) repayable on demand or
(b) without specifying any terms or period of repayment

51 All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

For Sumit Mohit & Company
Chartered Accountants
Firm Reg. No.: 021502N

For and on behalf of the Board of Directors
Baba Food Processing (India) Limited

CA. Sumit Garg
Partner
Membership No. 506945
Place: Delhi
Date: 8-Sep-2023

Yogesh Kumar Sahu
Director
DIN: 02139226
Place: Ranchi

Rajesh Agrawal
Director
DIN: 06448058

OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company as at and for the three months period ended June 30, 2023 and as at and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021, together with all annexures, schedules and notes thereto (“**Audited Financial Statements**”) are available at www.babafood.in. 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 Red Herring 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 BRLM, 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	June 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Basic earnings per share ¹ (in ₹)	1.60	4.20	4.19	4.13
Diluted earnings per share ² (in ₹)	1.60	4.20	4.19	4.13
EBITDA ³ (in ₹ lakhs)	380.90	1,107.52	533.48	572.15
Net worth ⁴ (in ₹ lakhs)	2,692.36	2,499.97	1,996.53	1,648.95
Return on net worth ⁵ (%)	7.14%	20.14%	10.08%	12.02%
Net asset value per Equity Share ⁶ (in ₹)	22.44	20.83	41.59	34.35

Notes:

- 1) *Basic Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of equity shares outstanding during the year, read with note 1 above*
- 2) *Diluted Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of diluted equity shares outstanding during the year, read with note 1 above*
- 3) *Earning before interest, tax, depreciation and amortisation (EBITDA) = Restated profit/(loss) for the respective year + tax expenses + finance costs + depreciation and amortisation.*
- 4) *‘Net worth’: Share capital and other equity less capital reserves. Net worth has been computed as a sum of Equity share capital and other equity less capital reserves.*
- 5) *Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year*
- 6) *Net Asset Value per Equity Share = Net worth less preference share capital derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of year as per Restated Financial Statements after adjustment for Bonus Shares issued during the year.*
- 7) *The figures disclosed above are based on the Restated Financial Statements.*

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FINANCIAL INDEBTEDNESS

Our Company has availed credit facilities in its ordinary course of business for the purposes of meeting its long term and working capital requirements Set forth below is a brief summary of all the borrowings of our Company together with a brief description of certain significant terms of such financing arrangements.

SECURED BORROWINGS

As on June 30, 2023, we have availed secured loans of which the total outstanding amount secured loan is ₹2,491.82 lakhs as of date, the details of which are as under:

Sr. No.	Nature of Facilities	Rate of interest	Sanctioned Amount (₹ In lakhs)	Amount outstanding as on June 30, 2023 (₹ In lakhs)	Tenure	Security
1	Axis Bank Ltd					
	<ul style="list-style-type: none"> Cash Credit - Fund Based - Permanent limit - Adhoc limit 	Repo + 2.10% p.a. at present 8.60%	2,100.00 250.00	1875.94 -	12 months 90 days	<ul style="list-style-type: none"> Primary - All Fixed & Current Assets. Secondary - Equitable mortgage of Land & Building situated at Bandheya, Nagri in name of Yogesh Kumar Sahu Personal Guarantee of Mr. Yogesh Kumar Sahu & Mrs. Binita Sahu
	<ul style="list-style-type: none"> ECLGS 1- Fund Based 	Repo + 2.10% p.a. at present 8.60%	117.00	101.11	5 years	<ul style="list-style-type: none"> Second Charge on Primary and Secondary securities Personal Guarantee of Mr. Yogesh Kumar Sahu & Mrs. Binita Sahu
	<ul style="list-style-type: none"> Term Loan - Fund Based 	Repo + 2.10% p.a. at present 8.60%	146.00	138.09	Residual Tenor of Subsidy	<ul style="list-style-type: none"> Fixed Deposit Rs. 146 lakhs under Subsidy of Govt. of Jharkhand
	<ul style="list-style-type: none"> ECLGS 2- Fund Based 	Repo + 2.10% p.a. at present 8.60%	320.00	320.00	5 years	<ul style="list-style-type: none"> Second Charge on Primary and Secondary securities Personal Guarantee of Mr. Yogesh Kumar Sahu & Mrs. Binita Sahu
2	BMW Financial Services limited					
	Vehicle Loan	10.25%	60.00	56.68	36 months	Hypothecation of Vehicle - BMW Car
	Total		2,993.00	2,491.82,		
3	Axis Bank Ltd					
	<ul style="list-style-type: none"> Bank Guarantee - Non Fund Based 	1.25% + GST	20.00	18.96	12 months	<ul style="list-style-type: none"> Personal Guarantee of Mr. Yogesh Kumar Sahu & Mrs. Binita Sahu

UNSECURED BORROWINGS

As on June 30, 2023, we have availed secured loans of which the total outstanding amount unsecured loan is ₹759.12 lakhs as of date, the 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, 2023 (₹ In lakhs)
	Short Term Loans				
1	Baba Agro Food Limited	Repayable on demand	8.00%	-	638.82
2	Yogesh Kumar Sahu	Repayable on demand	Not carrying any interest	-	110.30
3	Binita Sahu	Repayable on demand	Not carrying any interest	-	10.00
	Total			-	759.12

SECURED BORROWINGS OF OUR SUBSIDIARY

Axis Bank *vide* a sanction letter dated September 15, 2023 has sanctioned a term loan of an amount of ₹ 3,800 lakhs to our Subsidiary for the purpose of funding the construction of building and procurement of machinery for the manufacturing unit proposed to be set up in Patna, Bihar.

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 three month period ended June 30, 2023 and for the financial years ended March 31, 2023, 2022 and 2021. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Statement" on page 172 of the Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 27 of this Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 19 of this Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Baba Food Processing (India) Limited, our Company and our wholly owned Subsidiary, Panchakanya Foods Private Limited. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for three months ended June 30, 2023 and the financial years ended March 31, 2023, 2022 and 2021 included in this Red Herring Prospectus beginning on page 172 of this Red Herring Prospectus

BUSINESS OVERVIEW

Our Company was incorporated on April 22, 2015, as 'Baba Food Processing (India) Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, Jharkhand at Ranchi. Subsequently, pursuant to a resolution passed by the Shareholders in an Extra-Ordinary General Meeting held on May 27, 2023, our Company was converted from a private limited company to a public limited company and a fresh certificate of incorporation dated July 20, 2023 was issued by the Registrar of Companies, Jharkhand at Ranchi. Consequent to the conversion of our Company, the name of our Company was changed to 'Baba Food Processing (India) Limited'.

Our manufacturing unit is situated in Ranchi and houses two divisions namely, high fibre whole wheat atta division and refined flour division. Our Company manufactures high fibre Whole Wheat Atta (*Wheat Flour*) in our whole wheat atta division and Refined Flour (*Maida*), Tandori Atta, Semolina flour (*Sooji*) in our refined flour division. We also commercialise the by-product and waste material, *i.e.*, wheat bran and other waste materials generated during our manufacturing process as cattle feed and fish feed, which makes our manufacturing unit a zero waste and zero discharge manufacturing unit. Our manufacturing unit is equipped with ultra-modern highly automated Buhler's Swiss Technology Pesa Mill for manufacturing of stoneless high fibre atta and also an ultra-modern highly automated Buhler's Swiss Technology Roller Flour Mill with installed capacity of 200 Tons per day. We also market and sell Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) under our brand '*Panchakanya*', however we procure these products from third party manufacturers. We propose to utilise a portion of the Net Proceeds of this Issue, towards funding of capital expenditure proposed to be incurred towards setting up of machinery for manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*) in our manufacturing unit at Ranchi.

For detailed information on the business of our Company please refer to "*Our Business*" beginning on page numbers 121 of this Red Herring Prospectus.

Products Offered by our Company

Our offerings consist of:

1. Whole Wheat Atta (Wheat Flour)
2. Refined Flour (Maida)
3. Semolina flour (Sooji)
4. Tandori Atta
5. Wheat Bran (Choker)
6. Waste Dust
7. Trading Goods (Chickpea Flour (Besan) and Roasted Gram Flour (Sattu))

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED FINANCIALS

After the date of last Audited accounts i.e. June 30, 2023, the Directors of our Company confirm that, there have not been any significant material developments.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 27 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- We cannot assure you that the manufacturing unit proposed to be set up by our Subsidiary, Panchakanya Foods Private Limited will become operational as scheduled, or at all, or operate as efficiently as planned. If we are unable to commission our new manufacturing unit in a timely manner or without cost overruns, it may adversely affect our business, results of operations and financial condition.
- As on date we have not obtained any of the approvals, clearances and permissions as may be required from the relevant authorities for the proposed manufacturing units. In the event we are unable to obtain such approvals and permits, our business, results of operations, cash flows and financial condition could be adversely affected.
- The allotment of land to our Subsidiary for setting up the proposed manufacturing unit is subject to compliance with certain terms and conditions. Failure to comply with such conditions could adversely affect our business and financial condition.
- All of our experience in respect of our business operations is limited to Jharkhand, Odisha and West Bengal. Further, our Company has limited experience of manufacturing Chickpea Flour (*Besan*) and Roasted Gram Flour (*Sattu*). Hence, we have limited exposure in operating outside the aforementioned states and manufacturing products outside of our existing product portfolio, which may make it difficult to evaluate our past performance and prospects with respect to the same.
- We cannot assure that we shall be able to utilize our proposed manufacturing units to their full capacity or up to an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition.
- There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution.
- Our Company and our Subsidiary is yet to place orders for 100% of the plant and machinery for the proposed manufacturing units. Further the costs of certain machinery proposed to be installed in the proposed manufacturing units, have been quoted in US Dollar and Euro, and therefore are exposed to risk of fluctuation of foreign exchange rate. 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.
- We depend on our dealers, wholesalers and retailers for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key intermediaries may adversely affect our business and results of operations.
- We do not have long term agreements with suppliers for our raw materials and an increase in the cost of or a shortfall in the availability of such raw materials could have an adverse effect on our business, results of operations and financial condition.

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 172 of the Red Herring Prospectus.

Overview of Revenue & Expenditure

Our revenue and expenses are reported in the following manner:

Revenues

◆ **Revenue of operations**

Our Company's revenue is primarily generated from sale of high fibre Whole Wheat Atta (Wheat Flour), Refined Flour (Maida), Tandori Atta, Semolina flour(Sooji) and by-products and waste material, i.e., wheat bran and other waste materials generated during our manufacturing process.

◆ Other Income

Our other income mainly consists of interest from banks and incentives from suppliers.

(₹ In Lakhs)

Particulars	For the period ended			
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Income				
Revenue from operations	4,134.63	18,953.95	9,711.10	10,655.10
As a % of total Income	99.90%	99.95%	99.54%	98.94%
Other Income	4.12	10.22	45.20	114.45
As a % of Total Income	0.02%	0.05%	0.46%	1.06%
Total Revenue	4,138.75	18,964.17	9,756.30	10,769.55

Expenditure

Our total expenditure primarily consists of Cost of material consumed, Employee Benefit Expenses, Depreciation and Amortization Expenses, Finance Costs and Other Expenses.

◆ Employment Benefit Expenses

It includes salaries, wages and allowances, directors' remuneration, contributions to welfare funds, provision for gratuity and other expenses.

◆ Material Cost of Goods Sold

This relates to the cost of material consumed in manufacturing, cost of traded goods sold, change in inventory of finish good, WIP and cost of consumable consumed.

◆ Other Expenses

It includes Power & Fuel, Consumption of Stores and Spare Parts, Consumption of Packing Materials, Advertisement expenses, Discount & Rebate, repair and maintenance, insurance expenses, audit fees, carriage outward, Rent including Lease Rentals, consultancy / professional fees, travelling and conveyance, staff welfare expenses, commission and others.

◆ Finance Costs

Our finance costs mainly include finance charges and interest.

◆ Depreciation

Depreciation includes depreciation and amortization.

RESULTS OF OUR OPERATION

(₹ In Lakhs)

Particulars	30-Jun-23	31-Mar-23	31-Mar-22	31-Mar-21
Incomes:				
Revenue from Operations	4,134.63	18,953.95	9,711.10	10,655.10
% of total revenue	99.90%	99.95%	99.54%	98.94%
% Increase/(Decrease)	-	95.18%	(8.86%)	-
Other income	4.12	10.22	45.20	114.45
% of total revenue	0.10%	0.05%	0.46%	1.06%
% Increase/(Decrease)	-	-77.39%	(60.51%)	-
Total Revenue	4,138.75	18,964.17	9,756.30	10,769.55

Particulars	30-Jun-23	31-Mar-23	31-Mar-22	31-Mar-21
% Increase/(Decrease)	-	94.38%	(9.41%)	-
Expenses:				
Material Cost of Goods Sold	3,343.14	16,092.23	7,933.92	8,865.86
% of total revenue	80.78%	84.86%	81.32%	82.32%
% Increase/(Decrease)	-	102.83%	(10.51%)	-
Employee Benefit expenses	119.97	421.89	298.74	310.77
% of total revenue	2.90%	2.22%	3.06%	2.89%
% Increase/(Decrease)	-	41.22%	(3.87%)	-
Other Expenses	294.74	1,342.53	990.16	1,020.76
% of total revenue	7.12%	7.08%	10.15%	9.48%
% Increase/(Decrease)	-	35.59%	(3.00%)	-
Total Expense	3,757.85	17,856.64	9,222.81	10,197.40
% of total revenue	90.80%	94.16%	94.53%	94.69%
% Increase/(Decrease)	-	93.61%	(9.56%)	-
Profit before Interest, Depreciation and Tax	380.90	1,107.52	533.48	572.15
% of total revenue	9.20%	5.84%	5.47%	5.31%
Depreciation and amortization Expenses	44.18	163.32	116.12	138.58
% of total revenue	1.07%	0.86%	1.19%	1.29%
% Increase/(Decrease)	-	40.65%	(16.21%)	-
Profit before Interest and Tax	336.72	944.20	417.37	433.57
% of total revenue	8.14%	4.98%	4.28%	4.03%
Financial Charges	60.31	246.36	136.20	124.09
% of total revenue	1.46%	1.30%	1.40%	1.15%
% Increase/(Decrease)	-	80.88%	9.76%	-
Profit before Tax and Extraordinary Expenses	276.41	697.84	281.17	309.48
% of total revenue	6.68%	3.68%	2.88%	2.87%
Extraordinary Expenses	-	-	-	-
% of total revenue	-	-	-	-
% Increase/(Decrease)	-	-	-	-
Restated Profit/(Loss) before tax	276.41	697.84	281.17	309.48
% of total revenue	6.68%	3.68%	2.88%	2.87%
% Increase/(Decrease)	-	148.20%	(9.15%)	-
Tax expenses/(income)				
Current and prior years Tax (net)	77.36	186.70	55.54	29.08
Provisions for Deferred Tax	6.76	7.71	24.37	82.26
Total tax expenses	84.12	194.40	79.91	111.34
% of total revenue	2.03%	1.03%	0.82%	1.03%
Restated profit/(loss) after Tax	192.29	503.44	201.26	198.14
% of total revenue	4.65%	2.65%	2.06%	1.84%
% Increase/(Decrease)	-	150.14%	1.57%	-

Our income is dependent upon few major intermediaries, details of the same is as following:

(₹ in lakhs)

Particulars	June 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%	Amount	Percentage%
Top five customers	697.19	16.86%	3,042.00	16.05%	1,952.28	20.10%	2,058.79	19.32%
Top ten customers	934.12	22.59%	4,119.89	21.74%	2,673.74	27.53%	2,826.76	26.53%

REVIEW OF OPERATIONS FOR THE PERIOD ENDED JUNE 30, 2023

Income from Operations

Our revenue from operations for the period ended June 30, 2023 was ₹4,134.63 Lakhs which was about 99.90% of the total revenue and which comprises of revenue from sale of goods .

Other Income

Our other income for the period ended June 30, 2023 was ₹4.12 Lakhs which was about 0.10% of the total revenue and which includes interest and other income.

Expenditure

Material Cost of Goods Sold

The Material Cost of Goods Sold for the period ended June 30, 2023 were ₹ 3,343.14 Lakhs which has about 80.78% of the total revenue.

Employee Benefits expenses

The employee benefits expenses for the period ended June 30, 2023 were ₹ 119.97 Lakhs which was about 2.90% of the total revenue and which includes salaries, wages and allowances, directors' remuneration, contributions to welfare funds, gratuity, staff welfare and other expenses.

Other Expenses

Other Expenses for the period ended June 30, 2023 were ₹294.74 Lakhs which was about 7.12% of the total revenue and which includes Power & Fuel, Consumption of Stores and Spare Parts, Consumption of Packing Materials, Advertisement Expenses, Discount & Rebate, repair and maintenance, insurance expenses, audit fees, carriage outward, Rent including Lease Rentals, consultancy / professional fees, travelling and conveyance, staff welfare expenses, commission and others.

EBIDTA

Our EBITDA for the period ended June 30, 2023 were ₹ 380.90 Lakhs.

Financial Costs

Financial costs for the period ended June 30, 2023 were ₹60.31 Lakhs which was about 1.46% of the total revenue and which consists of interest and other finance charges.

Depreciation

Depreciation for the period ended June 30, 2023 were ₹ 44.18 Lakhs which was about 1.07% of the total revenue and which consists of depreciation and amortization expenses.

Profit /(Loss) after Tax

PAT for the period ended June 30, 2023 was ₹ 192.29 Lakhs.

REVIEW OF OPERATIONS FOR THE PERIOD ENDED MARCH 31, 2023

Income from Operations

Our revenue from operations for the fiscal year ended March 31, 2023 was ₹ 18,953.95 Lakhs which was about 99.95% of the total revenue and which comprises of revenue from sale of manufactured and traded goods.

Other Income

Our other income for the fiscal year ended March 31, 2023 was ₹ 10.22 Lakhs which was about 0.05% of the total revenue and which includes interest and insurance & Other claim received.

Expenditure

Material Cost of Goods Sold

The Material Cost of Goods Sold for the period ended March 31, 2023 were ₹ 16,092.23 Lakhs which has about 84.86%

of the total revenue.

Employee Benefits expenses

The employee benefits expenses for the fiscal year ended March 31, 2023 were ₹ 421.89 Lakhs which was about 2.22% of the total revenue and which includes salaries, wages and allowances, directors' remuneration, contributions to welfare funds, gratuity, staff welfare and other expenses.

Other Expenses

Other Expenses for the fiscal year ended March 31, 2023 were ₹ 1,342.53 Lakhs which was about 7.08% of the total revenue and which includes Power & Fuel, Consumption of Stores and Spare Parts, Consumption of Packing Materials, Advertisement Expenses, Discount & Rebate, repair and maintenance, insurance expenses, audit fees, carriage outward, Rent including Lease Rentals, consultancy / professional fees, travelling and conveyance, staff welfare expenses, commission and others.

EBIDTA

Our EBITDA for the fiscal year ended March 31, 2023 were ₹ 1,107.52 Lakhs.

Financial Costs

Financial costs for the period ended March 31, 2023 were ₹ 246.36 Lakhs which was about 1.30% of the total revenue and which consists of interest and other finance charges.

Depreciation

Depreciation for the fiscal year ended March 31, 2023 were ₹ 163.32 Lakhs which was about 0.86% of the total revenue and which consists of depreciation and amortization expenses.

Profit /(Loss) after Tax

PAT for the fiscal year ended March 31, 2023 was ₹ 503.44 Lakhs.

FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022

Income

Total revenue has increased by ₹ 9,242.85 Lakhs and 99.95%, from ₹ 9,711.10 Lakhs in the fiscal year ended March 31, 2022 to ₹ 18,953.95 Lakhs in the fiscal year ended March 31, 2023. The increase in revenue was on account of increase in manufacturing of finished products and increased sale volume.

Expenditure

Total Expenditure increased by ₹ 8,791.19 Lakhs and 96.32%, from ₹ 9,475.13 Lakhs in the fiscal year ended March 31, 2022 to ₹ 18,266.32 Lakhs in the fiscal year ended March 31, 2023. Overall expenditure was increased mainly due to increase in manufacturing of finished products.

Material Cost of Goods Sold

Material Cost of Goods Sold increased by ₹ 8,158.31 Lakhs and 102.83%, from ₹ 7,933.92 Lakhs in the fiscal year ended March 31, 2022 to ₹ 16,092.23 Lakhs in the fiscal year ended March 31, 2023. Materials Cost of Goods Sold was increased mainly due to increase volume of operations.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage increased by ₹ 123.15 Lakhs and 41.22% from ₹ 298.74 Lakhs in the fiscal year ended March 31, 2022 to ₹ 421.89 Lakhs in the fiscal year ended March 31, 2023. Overall employee cost was increased due to increase in number of man-hours in manufacturing process, increase staff strength and general increment in salary and incentives to employees.

Other Expenses

Other Expenses in terms of value and percentage increased by ₹352.37 Lakhs and 35.59% from ₹990.16 Lakhs in the fiscal year ended March 31, 2022 to ₹1,342.53 Lakhs in the fiscal year ended March 31, 2023. Other Expenses was increased mainly due to increase in Power & Fuel, Consumption of Stores and Spare Parts, Consumption of Packing Materials, Advertisement Expenses, Discount & Rebate, Carriage Outward, Staff Welfare Expenses, Travelling and Conveyance, Repairs and Maintenance, Rent including Lease Rentals, and other expenses.

EBIDTA

Profit before Interest, Depreciation and Tax has increased by ₹ 574.04 Lakhs and 107.60% from ₹533.48 Lakhs in the fiscal year ended March 31, 2022 to ₹1,107.52 Lakhs in the fiscal year ended March 31, 2023. Profit before Interest, Depreciation and Tax was increased due to increase manufacturing of finished products and increased sale volume.

Finance Costs

Finance Costs in terms of value and percentage increased by ₹110.16 Lakhs and 80.88% from ₹ 136.20 Lakhs in the fiscal year ended March 31, 2022 to ₹ 246.36 Lakhs in the fiscal year ended March 31, 2023. Finance Costs was increased mainly due to higher interest outgo and increased borrowings.

Depreciation & Amortization Expenses

Depreciation in terms of value increased by ₹ 47.20 Lakhs and 40.65% from ₹ 116.12 Lakhs in the fiscal year ended March 31, 2022 to ₹163.32 Lakhs in the fiscal year ended March 31, 2023. Increase in depreciation is due to increase in assets and is general in nature.

Net Profit after Tax and Extraordinary items

Net Profit has increased by ₹302.18 Lakhs and 150.14% from profit of ₹ 201.26 Lakhs in the fiscal year ended March 31, 2022 to profit of ₹503.44 Lakhs in the fiscal year ended March 31, 2023. Net profit was increased due to increase in revenue from operations, increase in profit margins and higher sales volume.

FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021

Income

Total revenue has decreased by ₹944.00 Lakhs and 8.86%, from ₹ 10,655.10 Lakhs in the fiscal year ended March 31, 2021 to ₹9,711.10 Lakhs in the fiscal year ended March 31, 2022. The decrease in revenue was on account of lower production of finish product and decreased sale volume.

Expenditure

Total Expenditure decreased by ₹984.94 Lakhs and 9.42%, from ₹10,460.07 Lakhs in the fiscal year ended March 31, 2021 to ₹ 9,475.13 Lakhs in the fiscal year ended March 31, 2022. Overall expenditure was decreased mainly due to lower production of finished products.

Material Cost of Goods Sold

Material Cost of Goods Sold decreased by ₹ 931.94 Lakhs and 10.51%, from ₹ 8,865.86 Lakhs in the fiscal year ended March 31, 2021 to ₹7,933.92 Lakhs in the fiscal year ended March 31, 2022. Material Cost of Goods Sold was decreased mainly due to decrease in production of finish goods.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage decreased by ₹12.04 Lakhs and 3.87% from ₹310.77 Lakhs in the fiscal year ended March 31, 2021 to ₹ 298.74 Lakhs in the fiscal year ended March 31, 2022. Overall employee cost was decreased due to decrease in number of man-hours in manufacturing process.

Other Expenses

Other Expenses in terms of value and percentage decreased by ₹30.60 Lakhs and 3.00% from ₹1,020.76 Lakhs in the fiscal year ended March 31, 2021 to ₹990.16 Lakhs in the fiscal year ended March 31, 2022. Other Expenses was decreased mainly due to decrease in Power & Fuel, Consumption of Stores and Spare Parts, Consumption of Packing Materials, Advertisement Expenses, Carriage Outward, Staff Welfare Expenses, Travelling and Conveyance, Repairs and Maintenance, Commission, and other expenses.

EBIDTA

Profit Before Interest, Depreciation and Tax has decreased by ₹ -38.67 Lakhs and 6.76% from ₹ 572.15 Lakhs in the fiscal year ended March 31, 2021 to ₹ 533.48 Lakhs in the fiscal year ended March 31, 2022. Profit Before Interest, Depreciation and Tax was decreased due to decrease in production of finished products.

Finance Costs

Finance Costs in terms of value and percentage increased by ₹12.11 Lakhs and 9.76% from ₹ 124.09 Lakhs in the fiscal year ended March 31, 2021 to ₹136.20 Lakhs in the fiscal year ended March 31, 2022. Finance Costs was increased mainly due to higher interest outgo and increased borrowings.

Depreciation & Amortization Expenses

Depreciation in terms of value decreased by ₹ 22.47 Lakhs and 16.21% from ₹ 138.58 Lakhs in the fiscal year ended March 31, 2021 to ₹ 116.12 Lakhs in the fiscal year ended March 31, 2022. Decrease in depreciation is general in nature.

Net Profit after Tax and Extraordinary items

Net Profit has increased by ₹3.12 Lakhs and 1.57% from profit of ₹198.14 Lakhs in the fiscal year ended March 31, 2021 to profit of ₹201.26 Lakhs in the fiscal year ended March 31, 2022. Net profit was decreased due to decrease in material cost of goods sold.

Cash Flows

(Amount ₹ in lakhs)

Particulars	For the three month period ended June 30, 2023	For the year ended March 31,		
		2023	2022	2021
Net Cash from Operating Activities	(339.94)	39.85	(802.65)	858.42
Net Cash from Investing Activities	(21.48)	(221.31)	325.38	(8.39)
Net Cash used in Financing Activities	(15.50)	499.95	587.36	(858.55)

Cash Flows from Operating Activities

Net cash from operating activities for the three months ended June 30, 2023 was ₹ (339.94) lakhs as compared to the Profit Before Tax at ₹ 276.41 lakhs. Net cash from operating activities for fiscal 2023 was at ₹ 39.85 lakhs as compared to the Profit Before Tax at ₹ 697.84 lakhs, while for fiscal 2022, net cash from operating activities was at ₹(802.65) lakhs as compared to the Profit Before Tax at ₹ 281.17 lakhs. For fiscal 2021, the net cash from operating activities was ₹858.42 lakhs compared to Profit before Tax of ₹ 309.48 lakhs.

Cash Flows from Investment Activities

Net cash from investing activities for the three months ended June 30, 2023 was ₹ (21.48) lakhs. This high cash outflow is attributed to increase in Fixed Assets in relation to Atta Plant Facilities. Net cash from investing activities for fiscal 2023 was at ₹ (221.31) lakhs due to additions in increase in Fixed Assets, while for fiscal 2022, net cash from investing activities was at ₹325.38 lakhs due to maturity of fixed deposit. For fiscal 2021, the net cash from investing activities was ₹(8.39) lakhs due to investment in fixed Assets.

Cash Flows from Financing Activities

Net cash from financing activities for the three months ended June 30, 2023 was ₹(15.50) lakhs. Net cash from financing activities for fiscal 2023 was at ₹499.95 lakhs due to increase in short term loans, while for fiscal 2022, net cash from

financing activities was at ₹587.36 lakhs also due to increase in borrowings. For fiscal 2021, the net cash from financing activities was ₹(858.55) lakhs due to repayment of loan.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on Page 172 and 210 respectively of this Red Herring 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 27 and 210 respectively of this Red Herring 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 27 of this Red Herring Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. Competition Conditions

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, product quality and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

CAPITALISATION STATEMENT

(In Lakhs)

Particulars	Pre Issue	Post Issue
	June 30, 2023	
Debt		
Short Term Debt	1,949.07	
Long Term Debt	1,301.87	
Total Debt	3,250.94	
Shareholders' Fund (Equity)		
Share Capital	1,200.00	■
Reserves & Surplus	1,492.26	
Less: Miscellaneous Expenses not w/off	-	
Total Shareholders' Fund (Equity)	2,692.26	
Long Term Debt/Equity	0.48	
Total Debt/Equity	1.21	

Notes:

1. Short term debts represent the debts which are expected to be paid/payable within 12 months.
2. Long term debts represent debts other than Short term debts as defined above and also excludes installment of term loans repayable within 12 months grouped under short term debt.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at June 30, 2023.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, as on the date of this Red Herring Prospectus, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) claims related to any direct or indirect taxes; or (iv) other pending litigations, as determined to be material by our Board as per the Materiality Policy; in each case involving our Company, our Subsidiary, our Promoter or our Directors or our Group Company (“**Relevant Parties**”). Further, except as stated in this section, there are no disciplinary actions, including penalties imposed by SEBI or stock exchanges, against our Promoter in the last five Fiscals immediately preceding the date of this Red Herring Prospectus, including any outstanding action. There are no outstanding litigation proceedings that are so major that our survival is dependent on the outcome of such pending litigation.

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated July 24, 2023, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Red Herring Prospectus, if:

- a.) The aggregate monetary claim/ dispute amount/ liability made by or against our Company or our Subsidiary in any such pending litigation (individually or in aggregate), is equivalent to or above 10% of the restated consolidated turnover of our Company, as per the latest completed fiscal year of the Restated Financial Statements (amounting to ₹ 1,895.40 lakhs);
- b.) Any such pending litigation / arbitration proceeding involving the Directors or Promoter 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.

It is clarified that for the purposes of the above, pre-litigation notices received by any of Relevant Parties, from third parties (other than show cause notices issued by statutory / regulatory / tax authorities or notices threatening criminal action or the first information reports) have not, and shall not, unless otherwise decided by our Board, be considered as material litigation until such time that such Relevant Party, as the case may be, is impleaded as a defendant/s in proceedings before any judicial / arbitral forum.

Further in terms of the Materiality Policy, creditors of our Company to whom amount due by our Company is equal to or in excess of 10% of the restated trade payables of our Company as at the end of the last period included in the Restated Financial Statements, would be considered as material creditors. Accordingly, a creditor has been considered ‘material’ by our Company if the amount due to such creditor exceeds ₹ 65.00 lakhs.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus. All terms defined herein in a particular litigation disclosure pertain to that litigation only.

1. LITIGATION INVOLVING OUR COMPANY

i. Litigation against our Company

1. Criminal Proceedings

Nil

2. Actions taken by Statutory/Regulatory Authorities

Nil

3. Tax Proceedings

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

(₹ in lakhs)

Particulars	Number of cases	Amount involved*
Indirect Tax		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
Total	Nil	Nil
Direct Tax		
Cases filed against our Company	Nil	Nil
Cases filed by our Company	Nil	Nil
Total	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

6. *Legal Notices*

Nil

ii. Litigation by our Company

1. *Criminal Proceedings*

Nil

2. *Civil and other Material Litigations*

Nil

2. LITIGATION INVOLVING OUR PROMOTER

Cases filed against our Promoter

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 Promoter, specifying the number of cases pending and the total amount involved:

(₹ in lakhs)

Particulars	Number of cases	Amount involved*
Indirect Tax		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
Total	Nil	Nil
Direct Tax		
Cases filed against our Promoter	Nil	Nil
Cases filed by our Promoter	Nil	Nil
Total	Nil	Nil

*To the extent quantifiable

4. *Other Material Litigations*

Nil

5. *Legal Notices*

Nil

Cases filed by our Promoter

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

Disciplinary action against our Promoter by SEBI or any stock exchange in the last five Fiscals

As on date of this Red Herring Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoter in the last five Fiscals including any outstanding action.

3. LITIGATION INVOLVING OUR DIRECTORS

Cases filed against our Directors

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Directors, specifying the number of cases pending and the total amount involved:

(₹ in lakhs)

Particulars	Number of cases	Amount involved*
Indirect Tax		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil

Particulars	Number of cases	Amount involved*
Total	Nil	Nil
<i>Direct Tax</i>		
Cases filed against our Director	Nil	Nil
Cases filed by our Director	Nil	Nil
Total	Nil	Nil

*To the extent quantifiable

3. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Raj Kumar Lakhotia

SEBI initiated adjudication proceedings against several persons and entities including our Independent Director, Raj Kumar Lakhotia alleging generation of artificial volumes by executing non-genuine/reversal trades on the same day, in violation of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003. Raj Kumar Lakhotia filed an application under the SEBI Settlement Scheme, 2022 for settling the charges levied by SEBI. Subsequently, pursuant to a common order dated March 8, 2023 passed by whole-time members of SEBI, a penalty of ₹1,00,000 on Raj Kumar Lakhotia. Raj Kumar Lakhotia has made a payment of the aforementioned amount to the Securities and Exchange Board of India on October 13, 2022.

4. *Other Material Litigations*

Nil

6. *Legal Notices*

Nil

Cases filed by our Directors

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

4. LITIGATION INVOLVING OUR SUBSIDIARY

Cases filed against our Subsidiary

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Subsidiary, specifying the number of cases pending and the total amount involved:

(₹ in lakhs)

Particulars	Number of cases	Amount involved*
<i>Indirect Tax</i>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil

Particulars	Number of cases	Amount involved*
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
Total	Nil	Nil
Direct Tax		
Cases filed against our Subsidiary	Nil	Nil
Cases filed by our Subsidiary	Nil	Nil
Total	Nil	Nil

**To the extent quantifiable*

4. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

4. *Other Material Litigations*

Nil

7. *Legal Notices*

Nil

Cases filed by our Subsidiary

3. *Criminal Proceedings*

Nil

4. *Other Material Litigations*

Nil

5. LITIGATION INVOLVING OUR GROUP COMPANY

Cases filed against our Group 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 Group Company, specifying the number of cases pending and the total amount involved:

(₹ in lakhs)

Particulars	Number of cases	Amount involved*
Indirect Tax		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
GST	Nil	Nil
Total	Nil	Nil
Direct Tax		

Particulars	Number of cases	Amount involved*
Cases filed against our Group Company	Nil	Nil
Cases filed by our Group Company	Nil	Nil
Total	Nil	Nil

*To the extent quantifiable

5. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

4. *Other Material Litigations*

Nil

5. *Legal Notices*

Nil

Cases filed by our Group Company

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

6. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

In terms of the Materiality Policy dated July 24, 2023, our Company has one (01) material creditor, as on date of this Red Herring Prospectus.

Details of amounts outstanding to material creditors and other creditors as on June 30, 2023, is as follows:

Particulars	(₹ in lakhs)	
	No. of Creditors	Amount
Outstanding dues to material creditors	1	441.09
Outstanding dues to MSME	-	-
Outstanding dues to other creditors	79	217.11
Total outstanding dues	80	658.20

Complete details of outstanding dues to our creditors as on June 30, 2023 are available at the website of our Company, www.babafood.in. Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.babafood.in, would be doing so at their own risk. For further details, refer to the section titled "Financial Information" on page 172 of this Red Herring Prospectus.

7. MATERIAL DEVELOPMENT SINCE JUNE 30, 2023

There have not arisen, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled "Management's Discussion and Analysis of Financial Position and Results of Operations" on page 210 of this Red Herring Prospectus.

GOVERNMENT AND OTHER STATUTORY APPROVALS

We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. Our Company and our Subsidiary 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 the chapter “Key Industrial Regulations and Policies” on page 143 of this Red Herring Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company and our Subsidiary to carry out its activities.

The following statements set out the details of licenses, permissions and approvals taken by our Company and our Subsidiary under various central and state laws for carrying out the business:

A. Material Licenses and Approvals required to be obtained by our Company

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 231 of this Red Herring Prospectus.

II. Approvals from the Stock Exchanges

- a) Our Company has received an in-principle approval from NSE dated October 20, 2023 for listing of Equity Shares issued pursuant to the Issue.
- b) Our Company’s ISIN is INE0QW501012.

III. General Approvals

- a) Certificate of Incorporation dated April 22, 2015 under the Companies Act, 2013 issued by the Registrar of Companies, Jharkhand at Ranchi.
- b) Fresh certificate of incorporated dated July 20, 2023 issued by the Registrar of Companies, Jharkhand at Ranchi pursuant to conversion of our Company from a private limited company to a public limited company.
- c) Letter dated April 3, 2017 issued by Regional Office of Employees’ State Insurance Corporation allotting code number 60001578420001102 under the under Employees’ State Insurance Act, 1948.
- d) Letter dated April 4, 2017 issued by Employees' Provident Fund Organisation for the purpose of issuing code number JHRAN1578235000 under Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.
- e) Udyog Aadhaar registration certificate dated March 19, 2021 bearing udyam registration number UDYAM-JH-20-0008418 issued by Ministry of Micro, Small & Medium Enterprises, Government of India.
- f) Certificate issuing legal entity identification number: 984500QB3EEFB58FX602.
- g) Importer Exporter Code bearing number 2115900405 issued on December 11, 2015 issued by Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India.
- h) Industrial Entrepreneurs Memorandum dated May 22, 2018 bearing number 702/SIA/IMO/2018 issued by Secretariat of Industrial Assistance, Ministry of Commerce & Industry, Government of India, acknowledging the memorandum of our Company for manufacturing (i) Atta (total capacity: 33,480.00 MT); (ii) Flour, Sooji, Tandoori Atta (total capacity: 26,640.00 MT); and Wheat Choker (total capacity: 11,880.00 MT).

IV. Tax Related Approvals

- a) Our Company’s permanent account number issued by the Income Tax Department is AAGCB2694A.
- b) Our Company’s tax deduction and collection certificate issued by the Income Tax Department is RCHB02332B.

- c) Our Company's GST registration certificate dated August 25, 2022 issued by the Government of India is 20AAGCB2694A1Z9 (Ranchi).
- d) Professional tax registration and enrolment certificate bearing number 20270310967 dated August 11, 2023 issued under Rule 3(1) and 3(2) of the Jharkhand Tax on Profession, Trades, Callings and Employments Act, 2011.

V. Business Related Approvals

As mentioned hereinabove, we require various approvals, licenses, registrations and permits to carry on our operations in India. Some of these may expire in the ordinary course of business and applications for renewal of such approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the material approvals required by our Company for conducting our operations is provided below.

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
1.	License to work as factory under Rule 4 to 10 of the Jharkhand Factories Rule 1950 and Section 6(1) of the Factories Act, 1948	Inspector of Factories, Factory Inspection Department, Government of Jharkhand	License number: FCA1636400274801	- [^]	December 31, 2032
2.	Consent to Establish ("CTE") 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	Jharkhand State Pollution Control Board	Ref No.: JSPCB/HO/RNC/CTE-849020/2017/5	January 16, 2017	Valid until cancelled
3.	Consent to operate ("CTO") 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	Jharkhand State Pollution Control Board	Ref No. JSPCB/HO/RNC/CTO-6320326/2020/618	March 11, 2020	December 31, 2023
4.	Certificate of verification issued under the Jharkhand Legal Metrology (Enforcement) Rules, 2011 for (i) Iron Hexagonal Weight and (ii) Non Automatic Weighing Instruments-Electronic Class III	Office of Controller, Legal Metrology, Government of Jharkhand	LMD-VC-156276	May 30, 2023	April 30, 2024
5.	License under Food Safety and Standards Act, 2006 (State License)	Food Safety and Standards Authority of India	11121001000400	October 20, 2021	October 19, 2026
6.	Certificate of Exemption for Ground Water Withdrawal	Government of India Ministry of Jal Shakti Department of Water Resources, River Development & Ganga Rejuvenation	21-4/1072/JH/IND/2022	November 9, 2022	Valid until cancelled

[^]The license is system generated and therefore does not have a date of issuance mentioned on it.

VI. Intellectual Property Related Approvals

As on date of this Red Herring Prospectus, our Company has registered the following trademarks:

Sr. No.	Particulars	Trade Mark Number	Date of Registration	Class
1.		3284658	June 14, 2016	30

Assigned Trademarks

Our Company has executed a deed of assignment dated September 18, 2023 (which was executed on September 19, 2023) with Manish Kumar Sahu, wherein the following trademarks and copyrights have been assigned to our Company by Manish Kumar Sahu (the “Assignor” and the “Deed of Assignment”):

Trademarks:

Sr. No.	Particulars	Trade Mark Number	Class
1.	PANCHAKANYA	2236074	30
2.		3353018	30
3.		3353017	30
4.		3353016	30

Copyrights:

S. No.	Artistic Work/label	Registration No.
1.	PANCHAKANYA BPT RAW REGULAR	A-119188/2017
2.	PANCHAKANYA BPT STEAM HAMESHA	A-119189/2017
3.	PANCHAKANYA BASMATI RICE	A-119190/2017
4.	PANCHAKANYA SONACHUR MAST MAST	A-119191/2017
5.	PANCHAKANYA SONACHUR	A-119361/2017
6.	PANCHAKANYA KATARNI STEAM	A-119362/2017
7.	PANCHAKANYA SONAM STEAM	A-119363/2017
8.	PANCHAKANYA SONAM ARWA	A-119364/2017
9.	PANCHAKANYA SHARBATI	A-121927/2017
10.	PANCHAKANYA GOLD	A-121928/2017
11.	PANCHAKANYA KRISHNA	A-121929/2017

The Assignor has assigned to our Company the aforementioned trademarks and copyrights, in lieu of a one-time consideration of a sum of ₹ 3.00 lakhs. The said consideration has been paid by our Company to the Assignor on September 18, 2023. Pursuant to the payment of the said consideration, all rights, titles and interests associated with the said registered trademarks and copyrights and in respect of the goods sold under the mark along with the goodwill were assigned to our Company.

The said assignment deed has been filed with Trade Mark Registry *vide* application no 396123 dated October 5, 2023.

Our 'Panchakanya' brand is registered in the name of one of the members of our Promoter Group, Manish Kumar Sahu. Our Company is in the process of executing an assignment agreement for the purpose of governing terms of the usage of the said brand. For risk relating to the same, please see – “*Risk Factors – Risk Factor 16 - Our business and prospects may be adversely affected if we are unable to maintain and grow the image of our brands. Further, our brand 'Panchakanya' and the package design of our product 'Panchakanya Gold', 'Panchakanya Krishna' and 'Panchakanya Sharbati' is assigned and registered, respectively, in the name of our Promoter Group member, Manish Kumar Sahu. We have executed a deed of assignment with our promoter group member to record the terms of usage of the said trademarks and have filed an application with the Trade Mark Registry for registration of the said trade marks in the name of our Company. In the event, we are unable to protect our intellectual property rights or brand names, it could have a material impact on our goodwill, business operations, financial condition and results of operations*” on page 36.

VII. Licenses/ Approvals for which applications have been made by our Company and are pending:

- a) Our Company has made an application bearing number SEA23091000105 on September 11, 2023 before Department of Labour, Employment, Government of Jharkhand for obtaining a license under the Jharkhand Shops and Commercial Establishment Act, 1954.
- b) Our Company has made an application on August 11, 2023 before Agricultural & Processing Food Products, Export Development Authority for renewing the license issued by Agricultural and Processed Food Products Export Development Authority.

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:

- a) Our Company is yet to apply for change of its name on its licenses and approvals pursuant to its conversion from a private limited company into a public limited company.

Our Company is proposing to utilize a portion of the Net Proceeds of this Issue, towards funding purchase of machinery for manufacturing Chickpea Flour (Besan) and Roasted Gram Flour (Sattu) in our existing manufacturing unit in Ranchi. Our Company will apply for a renewed and revised (i) Industrial Entrepreneurs Memorandum; (ii) consent to operate; (iii) license required under the Central Goods And Services Tax Act, 2017; (iv) license to work a factory under Section 6(1) of the Factories Act, 1948; and (v) license under Food Safety and Standards Act, 2006 for updating the capacity of our existing manufacturing unit and the products manufactured by us.

The above approvals shall be applied for prior to import of plant and machinery. For risks relating to the same, please refer to the chapter titled “*Risk Factors – As on date we have not obtained any of the approvals, clearances and permissions as may be required from the relevant authorities for the proposed manufacturing units. In the event we are unable to obtain such approvals and permits, our business, results of operations, cash flows and financial condition could be adversely affected.*” on page 28.

B. Material Licenses and Approvals required to be obtained by our Subsidiary

Panchakanya Foods Private Limited

Certificate of incorporation dated April 5, 2023 under the Companies Act, 2013 issued by the Deputy Registrar Of Companies, Registrar of Companies, Central Registration Centre.

Tax Related Approvals

- a) Permanent Account Number dated April 5, 2023 issued by the Income Tax Department is AANCP6351M.
- b) Tax Deduction Account Number dated April 5, 2023 issued by the Income Tax Department is RCHP03136A.
- c) Our Company's GST registration certificate dated July 27, 2023 issued by the Government of India is 20AANCP6351M1Z5 (Ranchi).

- d) Certificate dated October 5, 2023 bearing file number KOLIECPAPPLY00021727AM24 issued by Office of the Additional Director General of Foreign Trade, Kolkata, Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India, for allotting Importer-Exporter Code number, AANCP6351M to our Subsidiary.

Business Related Approvals

Panchakanya Foods Private Limited is yet to commence its business operations and therefore is yet to apply for the applicable licenses and approvals.

Licenses/ Approvals for which applications have been made by our Subsidiary and are pending:

Our Subsidiary has made an application dated October 3, 2023 before the Department of Commercial Taxes, Government of Bihar for obtaining a license required under the Central Goods and Services Tax Act, 2017 for Bihar state.

Licenses / Approvals which are required but not yet applied for by Panchakanya Foods Private Limited:

One of the Objects of the Issue is to “Investment in our wholly owned Subsidiary, Panchakanya Foods Private Limited (“PFPL”) for setting up a manufacturing unit in Patna, Bihar, comprising an ultra-modern highly automated roller flour mill and chakki whole wheat atta mill”. Our Subsidiary, Panchakanya Foods Private Limited shall apply for the following licenses and approvals, prior to commencement of its business operations:

S. No.	Particulars of licenses	Tentative Time Period of application
1.	License under Food Safety and Standards Act, 2006	Before trial run of manufacturing unit
2.	Industrial Entrepreneurs Memorandum issued by Secretariat of Industrial Assistance, Ministry of Commerce & Industry, Government of India	Post execution of lease deed
3.	License to work a factory under Section 6(1) of the Factories Act, 1948	After Commissioning of manufacturing unit
4.	Consent to Establish under section 25 /26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	Before start of civil works
5.	Consent to operate under Section 25 / 26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention & Control of Pollution) Act, 1981	Before trial run of manufacturing unit
6.	Certificate of verification of weights and measures issued under the Legal Metrology Act, 2009	After Installation of weights, etc.
7.	License issued by Agricultural and Processed Food Products Export Development Authority	Before placement of orders
8.	EPCG License	Before import of plant and machinery
9.	Certificate of Exemption for Ground Water Withdrawal	Before digging of borewell
10.	Electricity - Industrial	Before trial run of manufacturing unit
11.	Building Plan Approval	After complete plan is ready
12.	Legal Entity Identification Number	Before Loan Documentation
13.	Udyam Aadhaar Registration	Post execution of lease deed

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on July 24, 2023 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on August 14, 2023 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated October 20, 2023 from NSE for using its name in this Red Herring Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoter, our Directors and our Promoter's Group, person(s) in control of the promoter or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

CONFIRMATIONS

1. Our Company, our Promoter, Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.
3. Except as stated below, there has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoter or directors:

SEBI initiated adjudication proceedings against several persons and entities including our Independent Director, Raj Kumar Lakhota alleging generation of artificial volumes by executing non-genuine/reversal trades on the same day, in violation of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003. Raj Kumar Lakhota filed an application under the SEBI Settlement Scheme, 2022 for settling the charges levied by SEBI. Subsequently, pursuant to a common order dated March 8, 2023 passed by whole-time members of SEBI, a penalty of ₹1,00,000 on Raj Kumar Lakhota. Raj Kumar Lakhota has made a payment of the aforementioned amount to the Securities and Exchange Board of India on October 13, 2022.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoter, nor the relatives (as defined under the Companies Act) of our Promoter, nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

ELIGIBILITY FOR THE ISSUE

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- Neither our promoters, nor any directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our directors, are Wilful Defaulters or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital is more than ten crore rupees and upto twenty five crore rupees can issue Equity Shares to the public and propose to list the same on the EMERGE Platform of National Stock Exchange of India Limited.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder;

1. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.

Our Company is incorporated under the Companies Act, 2013.

2. The post issue paid up capital of the company shall not be more than ₹ 25.00 Crore.

The present paid-up capital of our Company is ₹ 1,200.00 lakhs and we are proposing issue upto [●] Equity Shares of ₹ 10/- each at Issue price of ₹[●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating up to ₹ 3,300.00 lakhs. Hence, our Post Issue Paid up Capital will be ₹ [●] lakhs. So, the company has fulfilled the criteria of post issue paid up capital shall more than ₹ 1,000.00 lakhs but not exceeding ₹ 2,500.00 lakhs.

3. Track Record

A. The company should have a track record of at least 3 years.

Our Company was incorporated on April 22, 2015, as 'Baba Food Processing (India) Private Limited', a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Registrar of Companies, Jharkhand at Ranchi. Subsequently, pursuant to a resolution passed by the Shareholders in an Extra-Ordinary General Meeting held on May 27, 2023, our Company was converted from a private limited company to a public limited company and a fresh certificate of incorporated dated July 20, 2023 was issued by the Registrar of Companies, Jharkhand at Ranchi. Consequent to the conversion of our Company, the name of our Company was changed to 'Baba Food Processing (India) Limited'. Hence, our Company fulfils the criteria of having track record of 3 years.

B. The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating profit (earnings before interest, depreciation and tax and other income) from operations*	1,097.30	488.28	457.70
Net Worth as per Restated Financial Statement	2,499.97	1,996.53	1,648.95

4. Other Requirements

We confirm that:

- i. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

5. The Company has a website: www.babafood.in

6. Disclosures

We confirm that:

- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoter/promoting Company(ies), group companies, companies promoted by the Promoter/promoting companies of the Company.
- ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoter/promoting Company(ies), group companies, companies promoted by the Promoter/promoting Company(ies) during the past three years.
- iii. There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies).
- iv. There are no criminal cases/investigation/offences filed against the director of the company.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting, please refer to Section titled “**General Information**” beginning on page no. 63 of this Red Herring Prospectus.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “**General Information**” beginning on page no. 63 of this Red Herring Prospectus.
3. 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 refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Red Herring Prospectus through the BRLM immediately upon registration of the Red Herring Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on the Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

SEBI DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE RED HERRING PROSPECTUS. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS / RED HERRING PROSPECTUS, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HORIZON MANAGEMENT PRIVATE LIMITED SHALL FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED OCTOBER 25, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, JHARKHAND AT RANCHI, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.

DISCLAIMER CLAUSE OF THE NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, has been included in this Red Herring Prospectus:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2826 dated October 20, 2023, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.”

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring 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 their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Horizon Management Private Limited) and our Company on September 10, 2023, and the Underwriting Agreement dated October 25, 2023 entered into between the Underwriters and our Company and the Market Making Agreement dated October 25, 2023 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running 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 Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entity, 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 Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub –account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Jharkhand 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.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions 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. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

FILING OF DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus was not be filed with SEBI, nor did SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of this Red Herring Prospectus shall be furnished to the Board. Pursuant to SEBI Master Circular, a copy of this Red Herring Prospectus is being filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Draft Red Herring Prospectus, was filed with the Emerge Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

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

LISTING

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated October 20, 2023 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Six Working Days from the Issue Closing Date.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 - 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 (provided that where the fraud involves public interest, such term shall not be less than three 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 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 fifty lakh rupees or with both.

CONSENTS

The written consents of Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Market Maker, Banker to the Issue and Underwriter to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Red Herring Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, our Company has received written consent dated September 9, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Red Herring 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 September 8, 2023 on our Restated Financial Information; and (ii) its report dated September 9, 2023 on the statement of special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

EXPERT OPINION

Except for report and certificates from Peer Review Auditors on financial matter and Legal advisor to the company on Legal matters, we have not obtained any other expert opinions.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Our Company has not made public issue in the past. For details of right issue please refer chapter titled “*Capital Structure*” beginning on page no. 74 of this Red Herring Prospectus.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

CAPITAL ISSUE DURING THE LAST THREE YEARS

For details of the capital issued of our Company in past three years, please refer chapter titled “*Capital Structure*” beginning on page no. 74 of this Red Herring Prospectus. Our Subsidiary has not made any capital issuances during the three years preceding the date of this Red Herring Prospectus. Our Company does not have any associates or listed group company, as of the date of this Red Herring Prospectus.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM

Price Information of past issues handled by the Book Running Lead Manager

SME:

Sr. No	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing*	
1.	Cosmic CRF Limited	57.21	314.00	June 30, 2023	251.20	3.54%	2.80%	(1.83%)	1.71%	NA	NA

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 th calendar day from listing day*			Nos. of IPOs trading at premium - 30 th calendar day from listing day*			Nos. of IPOs trading at discount - 180 th calendar day from listing day*			Nos. of IPOs trading at premium - 180 th 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	1	57.21	NIL	NIL	1	NIL	NIL	NIL	NA	NA	NA	NA	NA	NA

The BRLM has not undertaken any issuance in the Main Board Segment of the Stock Exchanges.

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer the website of Lead Manager at www.horizonmanagement.in

PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 74 of this Red Herring Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

PERFORMANCE VIS-À-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTERS

As on the date of this Red Herring Prospectus, our Company does not have any listed subsidiary or listed promoters.

STOCK MARKET DATA FOR OUR 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 Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, 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, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). 'T' being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

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, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Red Herring Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Director	Designation in the Committee	Nature of Directorship
Sanchit Jaiswal	Chairman	Non-Executive Independent Director
Binita Sahu	Member	Non-Executive Non-Independent Director
Rajesh Agrawal	Member	Whole-time Director and CFO

Our Company has appointed Ashana Vij the Company Secretary and Compliance Officer, who may be contacted in case of any pre-issue or post-issue related problems at the following address:

Ashana Vij

6th Floor, Home Decor Building,
Opposite Durga Mandir, Ratu Road,
Ranchi G.P.O., Ranchi – 834 001,
Jharkhand, India.

Telephone: +91 915 519 2834

E-mail: cs@babafood.in

Till date of this Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 74 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

LISTED VENTURES OF PROMOTER

There are no listed ventures of our Company as on date of filing of this Red Herring Prospectus.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Red Herring Prospectus.

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 VIII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') 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, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate member, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).

Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Authority for the Issue

The present Public Issue of upto ₹ 3,300.00 lakhs which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 24, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on August 14, 2023 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled “**Description of Equity Shares and terms of the Articles of Association**” beginning on Page No. 278 of the Red Herring 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 chapter titled “**Dividend Policy**” beginning on Page No. 171 of the Red Herring Prospectus.

Face Value, Issue Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in English editions of Business Standard, an English national daily newspaper, all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express , a Hindi daily newspaper (Hindi being the official language of Jharkhand, where our Registered Office is situated), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “**Basis of Issue Price**” beginning on page 98 of this Red Herring Prospectus.

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.

Minimum Application Value, Market Lot and Trading Lot

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.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated August 16, 2023.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated August 22, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares 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.

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.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to 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 Agent 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.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 74 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 278 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

ISSUE PROGRAM

Events	Indicative Dates
Bid/Issue Opening Date	Friday, November 3, 2023
Bid/Issue Closing Date	Tuesday, November 7, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Friday, November 10, 2023
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Monday, November 13, 2023
Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, November 15, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, November 16, 2023

***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 Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM 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 dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within six Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay 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.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids

Bid/Issue Period (except the Bid/Issue Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

Bid/Issue Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by

obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Member, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Member, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Migration to Main Board

Parameter	Migration policy from NSE SME Platform to NSE Main Board
Paid up Capital & Market Capitalisation	The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores** ** Explanation For this purpose capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares
Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT)	The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
Listing period	The applicant should have been listed on SME platform of the Exchange for at least 3 years.
Other Listing conditions	<ul style="list-style-type: none"> • The applicant Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies. • The company has not received any winding up petition admitted by a NCLT. • The net worth* of the company should be at least 50 crores <p>*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018</p>
Public Shareholders	Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1,000.
The applicant desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:	<ul style="list-style-type: none"> • The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner. • Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed. • Redressal mechanism of Investor grievance • PAN and DIN no. of Director(s) of the Company • Change in Control of a Company/Utilization of funds raised from public

Market Making

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “**General Information**” beginning on page 63 of this Red Herring Prospectus.

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 Emerge Platform of National Stock Exchange of India Limited.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “**Capital Structure**” beginning on page 74 of this Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

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.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

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.

Option to receive securities in Dematerialized 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. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹ 10 crores and upto ₹ 25 crores, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 240 and 250 respectively of this Red Herring Prospectus.

This public issue comprises of upto [●] 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 (the “issue price”) aggregating up to ₹ 3,300.00 lakhs (“the issue”) by our Company. The Issue and the Net Issue will constitute [●]% and [●]% respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process (1):

Particulars of the Issue (2)	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	Up to [●] Equity shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than [●] Equity Shares
Percentage of Issue size available for allocation	Not less than 5% of the issue size	Not more than 2% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 29% of the Net Issue	Not less than 69% of the Net Issue
Basis of Allotment(3)	Firm Allotment	Proportionate as follows: a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	Proportionate
Mode of Bid	Only through the ASBA Process	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●]	Such number of Equity Shares and in multiples of [●] Equity	Such number of Equity Shares in	[●] Equity Shares in

Particulars of the Issue (2)	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
	Equityshares	Shares that the Bid Amount exceeds ₹ 200,000	multiples of [●] Equity Shares that Bid size exceeds ₹ 200,000	multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bid	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹ 500,000)	Only through the ASBA process (including the UPI Mechanism)

- (1) This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in English editions of Business Standard, an English national daily newspaper, all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express , a Hindi daily newspaper (Hindi being the official language of Jharkhand, where our Registered Office is situated), each with wide circulation.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in

the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus with RoC.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Jharkhand.

BID/ ISSUE PROGRAMME:

Events	Indicative Dates
Bid/Issue Opening Date	Friday, November 3, 2023
Bid/Issue Closing Date	Tuesday, November 7, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Friday, November 10, 2023
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Monday, November 13, 2023
Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, November 15, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, November 16, 2023

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

UPI mandate end time and date shall be at 5.00 p.m. on the Bid / Issue Closing Date.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular.

ISSUE PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) 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, has 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 bearing number 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 has been 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”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Issue has been undertaken pursuant to the processes and procedures under UPI Phase II, 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 Issues and redressing investor grievances. This circular shall come into force for initial public Issues opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5,00,000/- shall use the UPI Mechanism.

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/P/CIR/2021/570 dated June 02, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

Further, our Company, the Promoter and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

BOOK BUILDING PROCEDURE:

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 2% of the Issue shall be allocated on a proportionate basis to QIBs. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 29% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 69% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring 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. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

Phased implementation of Unified Payments Interface

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under 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 upto 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 Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b) Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.
- c) Phase III: Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days.
- d) SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9,

2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); ‘T’ being issue closing date. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

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/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the website of National Stock Exchange of India Limited (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
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

Note: Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited (www.nseindia.com).

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders 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, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

WHO CAN BID?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than EligibleNRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;

- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

APPLICATIONS NOT TO BE MADE BY:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this 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 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in English editions of Business Standard, an English national daily newspaper, all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express, a Hindi daily newspaper (Hindi being the official language of Jharkhand, where our Registered Office is situated) each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in English editions of Business Standard an English national daily newspaper, all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express, a Hindi daily newspaper (Hindi being the official language of Jharkhand, where our Registered Office is situated) each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- e) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less

than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

Participation by Associates /Affiliates of BRLM who is also the Syndicate Member

The BRLM who is also the Syndicate Member, 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 BRLM may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Option to Subscribe in the Issue

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders:

1. Our Company and the Book Running Lead Manager have declared the Issue Opening Date and Issue Closing Date in this Red Herring Prospectus which has been registered with the RoC and will also publish the same in English editions of Business Standard, an English national daily newspaper, all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express , a Hindi daily newspaper (Hindi being the official language of Jharkhand, where our Registered Office is situated) each with wide circulation. This advertisement shall be in prescribed format.
2. Our Company has filed this Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of this Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other

secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

BIDS BY ELIGIBLE NRIS

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed

5.00% 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, on a repatriation or non- repatriation basis, 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 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see “**Restrictions on Foreign Ownership of Indian Securities**” beginning on page 276. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

BIDS BY FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI 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 as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 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; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (“Operational FPI Guidelines”), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids (“MIM Bids”). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi- investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as “MIM Structure”). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

BIDS BY SEBI-REGISTERED AIFS, VCFs AND FVCIS

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

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.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

BIDS BY BANKING COMPANIES

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share

capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see “*Key Regulations and Policies*” beginning on page 143

BIDS BY SCSBS

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

BIDS BY SYSTEMICALLY IMPORTANT NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%* of the outstanding equity shares (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 operates: 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.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies,

Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the 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 finalization 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 Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - i. the applications accepted by them,
 - ii. the applications uploaded by them
 - iii. the applications accepted but not uploaded by them or
 - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - (i) The applications accepted by any Designated Intermediaries
 - (ii) The applications uploaded by any Designated Intermediaries or
 - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
 - Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;

- Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

Withdrawal of Bids

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated

Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;

6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes ("CBDT") notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. 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;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of www.sebi.gov.in); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
1. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
2. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
3. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Bid for an amount more than funds available in your ASBA account.
6. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
7. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

14. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
15. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
16. Do not submit a Bid using UPI ID, if you are not a RIB;
17. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not Bid for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
21. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
23. Do not Bid if you are an OCB; and
24. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “**General Information**” and “**Our Management**” beginning on pages 63 and 154, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “**General Information**” beginning on page 63.

GROUND FOR TECHNICAL REJECTION

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see **“General Information”** beginning on page 63.

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 Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). ‘T’ being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in

Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. For QIBs

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
 - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
 - In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
 - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
 - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the National Stock Exchange of India Limited Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares appliedfor).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this RHP.

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 National Stock Exchange of India Limited.

The Executive Director / Managing Director of National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Book Running 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.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public 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 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the website of National Stock Exchange of India Limited i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of National Stock Exchange of India Limited i.e. www.nseindia.com

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the 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.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. 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; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular.

BASIS OF ALLOTMENT

Allotment will be made in consultation National Stock Exchange of India Limited (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:
 - i. Each successful applicant shall be allotted [●] equity shares; and
 - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl 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 subject to a minimum allotment 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.

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 100.00% 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 National Stock Exchange of India Limited - the Designated Stock Exchange in

addition to Book Running Lead Manager and Registrar to the 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.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Equity Shares in Dematerialised Form with NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on August 16, 2023.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on August 22, 2023.
- c) The Company's Equity shares bear an ISIN No. INE0QW501012.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- 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.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- 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.
- 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.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (English editions of Business Standard, an English national daily newspaper, all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper), and Ranchi edition of Ranchi Express , a Hindi daily newspaper (Hindi being the official language of Jharkhand, where our Registered Office is situated) each with wide circulation).

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

Our Company and the Underwriter have entered into an Underwriting Agreement dated October 25, 2023.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"Any person who:

- I. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- II. *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*
- III. *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.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs 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 ₹ 50/- Lakh or with both.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- all monies received out of the Fresh 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;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, , FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, , 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India)

Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap. Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on 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 will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 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 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference 373 shares or share warrants; 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.

iii. Investment by NRI or OCI on non-repatriation basis:

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

Article No.	Articles	Particulars
1.	Table F Applicable.	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.
CAPITAL		
3.	Authorized Capital.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.
4.	Increase of capital by the Company how carried into effect	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.
5.	New Capital same as existing capital	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
6.	Non-Voting Shares	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
7.	Redeemable Preference Shares	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.
8.	Voting rights of preference shares	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
9.	Provisions to apply on issue of Redeemable Preference Shares	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; (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; (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 (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

Article No.	Articles	Particulars
10.	Reduction of capital	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 (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account 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.
11.	Debentures	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.
12.	Issue of Sweat Equity Shares	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.
13.	ESOP	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.
14.	Buy Back of shares	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.
15.	Consolidation, Sub-Division and Cancellation	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.
16.	Issue of Depository Receipts	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.
17.	Issue of Securities	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.
MODIFICATION OF CLASS RIGHTS		
18.	Modification of rights	(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.
	New Issue of Shares not to affect rights attached to existing shares of that class.	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

Article No.	Articles	Particulars
19.	Shares at the disposal of the Directors.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.
20.	Power to issue shares on preferential basis.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.
21.	Shares should be Numbered progressively and no share to be subdivided.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
22.	Acceptance of Shares.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.
23.	Directors may allot shares as full paid-up	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.
24.	Deposit and call etc. to be a debt payable immediately.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.
25.	Liability of Members.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.
26.	Registration of Shares.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.
RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT		
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
CERTIFICATES		
28.	Share Certificates.	(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

Article No.	Articles	Particulars
		<p>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 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.	Issue of new certificates in place of those defaced, lost or destroyed.	<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.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>
30.	The first named joint holder deemed Sole holder.	<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>
	Maximum number of joint holders.	<p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>
31.	Company not bound to recognise any interest in share other than that of registered holders.	<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.	Instalment on shares to be duly paid.	<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 instalment, every such instalment 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>
UNDERWRITING AND BROKERAGE		
33.	Commission	<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</p>

Article No.	Articles	Particulars
		payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
34.	Brokerage	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.
CALLS		
35.	Directors may make calls	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by instalments.
36.	Notice of Calls	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
37.	Calls to date from resolution.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.
38.	Calls on uniform basis.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.
39.	Directors may extend time.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.
40.	Calls to carry interest.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
41.	Sums deemed to be calls.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment 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 instalment accordingly.
42.	Proof on trial of suit for money due on shares.	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.
43.	Judgment, decree, partial payment motto proceed for forfeiture.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.
44.	Payments in Anticipation of calls may carry interest	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.

Article No.	Articles	Particulars
		(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.
LIEN		
45.	Company to have Lien on shares.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created 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.	As to enforcing lien by sale.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment 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.	Application of proceeds of sale.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.
FORFEITURE AND SURRENDER OF SHARES		
48.	If call or instalment not paid, notice may be given.	If any Member fails to pay the whole or any part of any call or instalment 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 instalment 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 instalment 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 instalment 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.	Terms of notice.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment 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 instalment is payable will be liable to be forfeited.
50.	On default of payment, shares to be forfeited.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, 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.	Notice of forfeiture to a Member	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.
52.	Forfeited shares to be property of the Company and may be sold etc.	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.

Article No.	Articles	Particulars
53.	Members still liable to pay money owing at time of forfeiture and interest.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, 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.	Effect of forfeiture.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
55.	Evidence of Forfeiture.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.
56.	Title of purchaser and allottee of Forfeited shares.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.
57.	Cancellation of share certificate in respect of forfeited shares.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.
58.	Forfeiture may be remitted.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.
59.	Validity of sale	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
60.	Surrender of shares.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.
TRANSFER AND TRANSMISSION OF SHARES		
61.	Execution of the instrument of shares.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (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.	Transfer Form.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;
63.	Transfer not to be registered except on production of instrument of transfer.	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

Article No.	Articles	Particulars
		nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
64.	Directors may refuse to register transfer.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (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.	Notice of refusal to be given to transferor and transferee.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.
66.	No fee on transfer.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.
67.	Closure of Register of Members or debenture holder or other security holders.	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
68.	Custody of transfer Deeds.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.
69.	Application for transfer of partly paid shares.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
70.	Notice to transferee.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
71.	Recognition of legal representative.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
72.	Titles of Shares of deceased Member	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72of the Companies Act.

Article No.	Articles	Particulars
73.	Notice of application when to be given	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
74.	Registration of persons entitled to share otherwise than by transfer. (Transmission clause).	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.
75.	Refusal to register nominee.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
76.	Board may require evidence of transmission.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
77.	Company not liable for disregard of a notice prohibiting registration of transfer.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.
78.	Form of transfer Outside India.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.
79.	No transfer to insolvent etc.	No transfer shall be made to any minor, insolvent or person of unsound mind.
NOMINATION		
80.	Nomination	<ul style="list-style-type: none"> 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. 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 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. 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.
81.	Transmission of Securities by nominee	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- <ul style="list-style-type: none"> (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (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;

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		(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. 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.
DEMATERIALISATION OF SHARES		
82.	Dematerialisation of Securities	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.
JOINT HOLDER		
83.	Joint Holders	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.
84.	Joint and several liabilities for all payments in respect of shares.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
	Title of survivors.	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;
	Receipts of one sufficient.	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and
	Delivery of certificate and giving of notices to first named holders.	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.
SHARE WARRANTS		
85.	Power to issue share warrants	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
86.	Deposit of share warrants	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (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.
87.	Privileges and disabilities of the holders of share warrant	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (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.
88.	Issue of new share warrant coupons	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

Article No.	Articles	Particulars
CONVERSION OF SHARES INTO STOCK		
89.	Conversion of shares into stock or reconversion.	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.
90.	Transfer of stock.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
91.	Rights of stock holders.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
92.	Regulations.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.
BORROWING POWERS		
93.	Power to borrow.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.
94.	Issue of discount etc. or with special privileges.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
95.	Securing payment or repayment of Moneys borrowed.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.
96.	Bonds, Debentures etc. to be under the control of the Directors.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
97.	Mortgage of uncalled Capital.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.
98.	Indemnity may be given.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.
MEETINGS OF MEMBERS		

Article No.	Articles	Particulars
99.	Distinction between AGM & EGM.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.
100.	Extra-Ordinary General Meeting by Board and by requisition	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members
	When a director or any two Members may call an Extra Ordinary General Meeting	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the 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.	Meeting not to transact business not mentioned in notice.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.
102.	Chairman of General Meeting	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.
103.	Business confined to election of Chairman or Vice Chairman whilst chair is vacant.	No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.
104.	Chairman with consent may adjourn meeting.	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.	Chairman's casting vote.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.
106.	In what case poll taken without adjournment.	Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.
107.	Demand for poll not to prevent transaction of other business.	The demand for a poll except on the question of the election of the Chairman or Vice Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
VOTES OF MEMBERS		
108.	Members in arrears not to vote.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.
109.	Number of votes each member entitled.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show

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		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.	Casting of votes by a member entitled to more than one vote.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
111.	Vote of member of unsound mind and of minor	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
112.	Postal Ballot	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.
113.	E-Voting	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
114.	Votes of joint members.	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. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
115.	Votes may be given by proxy or by representative	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles
116.	Representation of a body corporate.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.
117.	Members paying money in advance.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.
	Members not prohibited if share not held for any specified period.	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.
118.	Votes in respect of shares of deceased or insolvent members.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.
119.	No votes by proxy on show of hands.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary

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		of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.
120.	Appointment of a Proxy.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
121.	Form of proxy.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
122.	Validity of votes given by proxy notwithstanding death of a member.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.
123.	Time for objections to votes.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
124.	Chairperson of the Meeting to be the judge of validity of any vote.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
DIRECTORS		
125.	Number of Directors	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution
126.	Qualification shares.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.
127.	Nominee Directors.	<p>(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</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</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.	Appointment of alternate Director.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
129.	Additional Director	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.
130.	Directors power to fill casual vacancies.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

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131.	Sitting Fees.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.
132.	Travelling expenses Incurred by Director on Company's business.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.
PROCEEDING OF THE BOARD OF DIRECTORS		
133.	Meetings of Directors.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (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.
134.	Chairman and Vice Chairman	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, the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting. 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.
135.	Questions at Board meeting how decided.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.
136.	Continuing directors may act notwithstanding any vacancy in the Board	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
137.	Directors may appoint committee.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
138.	Committee Meetings how to be governed.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
139.	Chairperson of Committee Meetings	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.
140.	Meetings of the Committee	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.
141.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.
RETIREMENT AND ROTATION OF DIRECTORS		
142.	Power to fill casual vacancy	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

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POWERS OF THE BOARD		
143.	Powers of the Board	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
144.	Certain powers of the Board	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say
	To acquire any property, rights etc.	(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.
	To take on Lease.	(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.
	To erect & construct.	(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.
	To pay for property.	(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.
	To insure properties of the Company.	(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.
	To open Bank accounts.	(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.
	To secure contracts by way of mortgage.	(7) To secure the fulfilment 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.
	To accept surrender of shares.	(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.
	To appoint trustees for the Company.	(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.
	To conduct legal proceedings.	(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.
	Bankruptcy & Insolvency	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.
	To issue receipts & give discharge.	(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.

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	To invest and deal with money of the Company.	(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.
	To give Security by way of indemnity.	(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;
	To determine signing powers.	(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.
	Commission or share in profits.	(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.
	Bonus etc. to employees.	(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.
	Transfer to Reserve Funds.	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same 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.
	To appoint and remove officers and other employees.	(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.
	To appoint Attorneys.	(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

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		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.
	To enter into contracts.	(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.
	To make rules.	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.
	To effect contracts etc.	(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.
	To apply & obtain concessions licenses etc.	(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.
	To pay commissions or interest.	(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.
	To redeem preference shares.	(26) To redeem preference shares.
	To assist charitable or benevolent institutions.	(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

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		<p>privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p>
MANAGING AND WHOLE-TIME DIRECTORS		
145.	Powers to appoint Managing/ Whole-time Directors.	<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.	Remuneration of Managing or Whole-time Director.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.
147.	Powers and duties of Managing Director or Whole-time Director.	<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 specially 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>
CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER		
148.	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p>

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		<p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>
THE SEAL		
149.	The seal, its custody and use.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>
150.	Deeds how executed.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.
DIVIDEND AND RESERVES		
151.	Division of profits.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>
152.	The company in General Meeting may declare Dividends.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.
153.	Transfer to reserves	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>
154.	Interim Dividend.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
155.	Debts may be deducted.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
156.	Capital paid up in advance not to earn dividend.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.
157.	Dividends in proportion to amount paid-up.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.
158.	Retention of dividends until completion of transfer under Articles.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

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159.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.	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.	Effect of transfer of shares.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.
161.	Dividend to joint holders.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.
162.	Dividends how remitted.	<p>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.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>
163.	Notice of dividend.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
164.	No interest on Dividends.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.
CAPITALIZATION		
165.	Capitalization.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>
166.	Fractional Certificates.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p>

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		(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.
167.	Inspection of Minutes Books of General Meetings.	(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. (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.
168.	Inspection of Accounts	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. 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.
FOREIGN REGISTER		
169.	Foreign Register.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.
DOCUMENTS AND SERVICE OF NOTICES		
170.	Signing of documents & notices to be served or given.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.
171.	Authentication of documents and proceedings.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.
WINDING UP		
172.		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.
INDEMNITY		
173.	Directors' and others right to indemnity.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.
174.	Not responsible for acts of others	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency

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		of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.
SECURITY		
175.	Secrecy	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
	Access to property information etc.	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company and on our website at www.babafood.in, from date of filing of Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date.

1. Material Contracts for the Issue

- (i). Issue Agreement dated September 10, 2023 entered into between our Company and the Book Running Lead Manager.
- (ii). Registrar Agreement dated September 10, 2023 entered into amongst our Company and the Registrar to the Issue.
- (iii). Tripartite Agreement dated August 16, 2023 between our Company, NSDL and the Registrar to the Issue.
- (iv). Tripartite Agreement dated August 22, 2023 between our Company, CDSL and the Registrar to the Issue.
- (v). Syndicate Agreement dated October 25, 2023 executed between our Company, Book Running Lead Manager and Syndicate Member.
- (vi). Banker to the Issue Agreement dated October 25, 2023 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vii). Market Making Agreement dated October 25, 2023 between our Company, Book Running Lead Manager and Market Maker.
- (viii). Underwriting Agreement dated October 25, 2023 amongst our Company and the Underwriters.

2. Material Documents

- (i) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- (ii) Certificate of Incorporation dated April 22, 2015 under the Companies Act, 2013 issued by Deputy Registrar of Companies, Central Registration Centre.
- (iii) Fresh certificate of incorporated dated July 20, 2023 issued by the Registrar of Companies, Jharkhand at Ranchi pursuant to conversion of our Company from a private limited company into a public limited company.
- (iv) The resolution passed by the Board of Directors at its meeting held on July 24, 2023 and the resolution passed by the Shareholders of the Company in EGM held on August 14, 2023, authorizing the Issue.
- (v) Resolution of the Board of Directors of the Company dated September 18, 2023, taking on record and approving the Draft Red Herring Prospectus.
- (vi) Resolution of the Board of Directors of the Company dated October 25, 2023, taking on record and approving this Red Herring Prospectus.
- (vii) The examination reports dated September 8, 2023 issued by the Statutory Auditor, on our Company's Restated Financial Statements, included in this Red Herring Prospectus.
- (viii) Copies of the Audited Financial Statements of our Company for the Fiscals 2023 and 2022 and 2021.
- (ix) Report on the Special Purpose interim consolidated financial statements of our Company for the three month period ended June 30, 2023.
- (x) Consent of the Promoter, Directors, the Book Running lead Manager, Legal Counsel, Registrar to the Issue, Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.
- (xi) Consent letter dated September 9, 2023 of the Statutory Auditor to include their names as experts in relation to their report dated September 8, 2023 on the Restated Financial Information and the Statement of Tax Benefits dated September 9, 2023 included in this Red Herring Prospectus.

- (xii) In principle listing approval dated October 20, 2023 issued by National Stock Exchange of India Limited.
- (xiii) Due Diligence Certificate dated October 25, 2023 issued by the BRLM.

Any of the contracts or documents mentioned in this Red Herring 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, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd/-

Yogesh Kumar Sahu
(Managing Director)

Sd/-

Rajesh Agrawal
(Whole-time Director and Chief Financial Officer)

Sd/-

Binita Sahu
(Non-Executive Director)

Sd/-

Sasmita Mohanty
(Independent Director)

Sd/-

Sanchit Jaiswal
(Independent Director)

Sd/-

Raj Kumar Lakhotia
(Independent Director)

SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/-

Rajesh Agrawal
(Chief Financial Officer)
Place: Ranchi

Sd/-

Ashana Vij
(Company Secretary & Compliance Officer)
Date: October 25, 2023