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Draft Red Herring Prospectus  
Dated: February 11, 2023  
Please read section 26 and 32 of the Companies Act, 2013  
100% Book Built Issue

**JAY KAILASH NAMKEEN LIMITED**  
**Corporate Identification Number: U15549GJ2021PLC123708**

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
Aji Vashahat, GIDC A/15, Rajkot, Gujarat-360003, India.	N.A.	Anushree Vijay Company Secretary and Compliance Officer	<a href="mailto:cs@jaykailashnamkeen.com">cs@jaykailashnamkeen.com</a> & 0281-2389727	<a href="http://www.jaykailashnamkeen.com">www.jaykailashnamkeen.com</a>

**NAME OF PROMOTER(S) OF THE COMPANY**

**NEEL NARENDRABHAI PUJARA**

**DETAILS OF OFFER TO PUBLIC**

Type	Fresh Issue Size	OFS* (by no. of shares or by amount in ₹)	Total Size	Eligibility & Share Reservation among NII & RII
Fresh Issue	Up to 14,40,000 Equity Shares aggregating up to ₹[●] Lakhs	Nil	Up to ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229(1) of SEBI (ICDR) Regulations. As the Company's post issue paid up capital is less than or equal to ₹100.00 lacs.

\*OFS: Offer for Sale

**DETAILS OF OFS BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS - NA**

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of our Equity Shares is ₹10 each and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and the Issue Price (as determined by our Company, in consultation with the BRLM, in accordance with SEBI ICDR Regulations, and as stated in "Basis for Issue Price" beginning on page 80 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing

**GENERAL RISK**

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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 28 of this Draft Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. This being the SME IPO, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

**BOOK RUNNING LEAD MANAGER**

**REGISTRAR TO THE ISSUE**



**UNISTONE**



**UNISTONE CAPITAL PRIVATE LIMITED**  
A/305, Dynasty Business Park, Andheri Kurla Road, Andheri East,  
Mumbai - 400059, Maharashtra, India.  
Telephone: +91 98200 57533  
Email: [mb@unistonecapital.com](mailto:mb@unistonecapital.com)  
Website: [www.unistonecapital.com](http://www.unistonecapital.com)  
Investor grievance email: [compliance@unistonecapital.com](mailto:compliance@unistonecapital.com)  
Contact Person: Brijesh Parekh  
SEBI registration number: INM000012449  
CIN: U65999MH2019PTC330850

**Skyline Financial Services Private Limited**  
D-153A, 1st floor, Okhla Industrial area, Phase I, New Delhi, 110020, India.  
Telephone : 011 4045 0193 / 197  
Facsimile: 011 2681 2683  
Email: [ipo@skylinert.com](mailto:ipo@skylinert.com)  
Investor grievance Email: [grievances@skylinert.com](mailto:grievances@skylinert.com)  
Contact Person : Rati Gupta  
Website: [www.skylinert.com](http://www.skylinert.com)  
SEBI Registration No: INR000003241  
CIN : U74899DL1995PTC071324

**ISSUE PROGRAMME**

**ISSUE OPENS ON: [●] DAY, [●] 2023**

**ISSUE CLOSES ON: [●] DAY, [●] 2023**

**Anchor portion Opens/Closes on<sup>u</sup>: [●]**

- Our Company in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.
- Our Company in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.



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Draft Red Herring Prospectus  
Dated: February 11, 2023  
Please read section 26 and 32 of the Companies Act, 2013  
100% Book Built Offer

JAY KAILASH NAMKEEN LIMITED

Corporate Identification Number: U15549GJ2021PLC123708

Our Company was originally incorporated as ‘Jay Kailash Namkeen (OPC) Private Limited’ under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated June 30, 2021 bearing Registration Number 123708 issued by Registrar of Companies, Gujarat, Ahmedabad. Subsequently our Company was converted into a Private limited Company vide Special Resolution passed by the shareholders at the Extra- Ordinary General Meeting held on April 14, 2022 and consequently the name of the Company was changed from ‘Jay Kailash Namkeen (OPC) Private Limited’ to ‘Jay Kailash Namkeen Private Limited’ vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into private limited company dated May 25, 2022 by Registrar of Companies, Ahmedabad bearing Corporate Identification Number U15549GJ2021PTC123708. Subsequently our Company was converted into a Public Limited Company vide Special Resolution passed by the shareholders at the Extra- Ordinary General Meeting held on June 06, 2022 and consequently the name of the Company was changed from ‘Jay Kailash Namkeen Private Limited’ to ‘Jay Kailash Namkeen Limited’ vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated June 14, 2022 by Registrar of Companies, Ahmedabad bearing Corporate Identification Number U15549GJ2021PLC123708. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled “General Information” and “History and Certain Corporate Matters” beginning on page 50 and 122 respectively of this Draft Red Herring Prospectus.

Registered office: Aji Vashahat, GIDC, A/15, Rajkot Gujarat-360003, India.  
Tel: 0281-238 9727; E-mail: [cs@jaykailashnamkeen.com](mailto:cs@jaykailashnamkeen.com) Website: [www.jaykailashnamkeen.com](http://www.jaykailashnamkeen.com)  
Contact Person: Anushree Vijay, Company Secretary and Compliance Officer

PROMOTER OF THE COMPANY: NEEL NARENDRABHAI PUJARA	
INITIAL PUBLIC ISSUE OF UP TO 14,40,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF JAY KAILASH NAMKEEN LIMITED (“COMPANY”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING UP TO ₹ [●] LAKHS OF WHICH UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ [●] EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] 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 AGGREGATING TO ₹ [●] 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 EQUITY SHARES IS ₹ 10 EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (WHICH ARE WIDELY CIRCULATED ENGLISH DAILY NEWSPAPER) AND ALL EDITIONS OF [●] (WHICH ARE WIDELY HINDI DAILY NEWSPAPER) AND GUJARAT EDITIONS OF [●] (A WIDELY CIRCULATED GUJARATI DAILY NEWSPAPER, GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”, “STOCK EXCHANGE”) FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.	
In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable	
All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility process including through UPI mode (as applicable) for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled “Issue Procedure” beginning on page 214 of this Draft Red Herring Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15 % per annum for the period of delay.	
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 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis (“Anchor Investor Portion”). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (“Net QIB Portion”). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net 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 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% 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, other than Anchor Investors, 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. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” on page 214	
RISK IN RELATION TO THE FIRST ISSUE	
This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager as stated in “Basis for Issue Price” on page 80 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.	
GENERAL RISKS	
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this 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 neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 28 of this Draft Red Herring Prospectus.	
ISSUER’S ABSOLUTE RESPONSIBILITY	
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.	
LISTING	
The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange (“NSE EMERGE”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received In-Principal Approval letter dated [●] from NSE for using its name in this offer document for listing of our shares on the EMERGE platform of NSE. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).	
BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
 <b>UNISTONE</b> UNISTONE CAPITAL PRIVATE LIMITED A/305, Dynasty Business Park, Andheri Kurla Road, Andheri East, Mumbai- 400059, Maharashtra, India. Telephone: +91 98200 57533 Email: <a href="mailto:mb@unistonecapital.com">mb@unistonecapital.com</a> Website: <a href="http://www.unistonecapital.com">www.unistonecapital.com</a> Investor grievance email: <a href="mailto:compliance@unistonecapital.com">compliance@unistonecapital.com</a> Contact Person: Brijesh Parekh SEBI registration number: INM000012449 CIN: U65999MH2019PTC330850	 <b>Skyline</b> Financial Services Pvt. Ltd. Skyline Financial Services Private Limited D-153A, 1st floor, Okhla Industrial area, Phase I, New Delhi, 110020, India. Telephone : 011 4045 0193 / 197 Facsimile: 011 2681 2683 Email: <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> Investor grievance Email: <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a> Contact Person : Rati Gupta Website: <a href="http://www.skylinerta.com">www.skylinerta.com</a> SEBI Registration No: INR000003241 CIN : U74899DL1995PTC071324
ISSUE PROGRAMME	
ISSUE OPENS ON <sup>(1)</sup> : [●]	ISSUE CLOSES ON <sup>(2)</sup> : [●]
Anchor portion Opens/Closes on <sup>(1)</sup> : [●]	

- 1) Our Company in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.
- 2) Our Company in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.

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## SECTION I – GENERAL DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used in this Draft 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. Notwithstanding the foregoing, terms used in of the sections “Industry Overview”, “Key Regulations and Policies”, “Statement of Possible Tax Benefits”, “Restated Financial Statements”, “Basis for Issue Price”, “History and Corporate Structure”, “Other Regulatory and Statutory Disclosures”, “Outstanding Litigations and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association”, shall have the meaning ascribed to such terms in such sections.*

### Conventional or General Terms

Term	Description
“Jay Kailash”, “the Company”, “our Company” and Jay Kailash Namkeen Limited	Jay Kailash Namkeen Limited, a Company incorporated in India under the Companies Act, 2013 having its Registered office at Aji Vashahat, GIDC, A/15, Rajkot, Gujarat - 360003, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Issue
Our Promoter	The Promoter of our Company, namely, Neel Narendrabhai Pujara.
Promoter Group	Such persons, entities and companies constituting our Promoter Group pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “Our Promoter and Promoter Group” on page 139 of this Draft Red Herring Prospectus.

### Company related terms

Term	Description
AOA / Articles of Association	Articles of Association of our Company as amended from time to time.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 as amended.
Auditors/ Statutory Auditor/ Peer Review Auditor	The statutory auditor and Peer Review Auditor of our Company, namely M/s. Kumbhat & Company, Chartered Accountants.
Bankers to the Company	Kotak Mahindra Bank Limited
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 126 of this Draft Red Herring Prospectus.
Chairman/ Chairperson	The Chairman of Board of Directors of our Company being Neel Narendrabhai Pujara.

<b>Term</b>	<b>Description</b>
CIN	Corporate Identification Number of our Company i.e. U15549GJ2021PLC123708
Chief Financial Officer/CFO	The Chief Financial Officer of our Company being Tulsi Neel Pujara
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Anushree Vijay
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares/shares	Equity Shares of the Company of Face Value of ₹10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Equity Listing Agreement/ Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the NSE Emerge Platform.
Executive Directors	Executive Directors are the Managing Director & Whole Time Director of our Company.
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the issuer as disclosed in “ <i>Our Group Companies</i> ” on page 143 of this Draft Red Herring Prospectus.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the Listing Regulations.
ISIN	International Securities Identification Number. In this case being INE0MSS01019.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “ <i>Our Management</i> ” on page 126 of this Draft Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on December 08, 2022, in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MD or Managing Director	The Managing Director of our Company being Neel Narendrabhai Pujara.
MOA / Memorandum of Association / Memorandum of Association	Memorandum of Association of Jay Kailash Namkeen Limited as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013.
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 Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other

<b>Term</b>	<b>Description</b>
	entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office	Aji Vashahat, GIDC A/15, Rajkot, Gujarat -360003, India.
Restated Financial Information	The Restated Audited Financial Information of the Company, which comprises of the Restated Audited Balance Sheet, the Restated Audited Profit and Loss Information and Restated Audited Cash Flow Information, for the period ended on December 31, 2022 and for the period ended March 31, 2022 together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations, as amended and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the Institute of Chartered Accountants of India, as amended.
RoC/ Registrar of Companies	Registrar of Companies, Ahmedabad.
Shareholders	Shareholders of our Company
Stakeholders’ Relationship Committee	The Stakeholder’s Relationship Committee of our Board constituted in accordance with section 178(5) of the Companies Act, 2013.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited, Emerge platform.
Sub-Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub- accounts which are foreign corporate or foreign individuals.
Subscriber to MOA/Initial Promoters	Initial Subscriber to MOA & AOA being Neel Narendrabhai Pujara.

#### **Issue related terms**

<b>Terms</b>	<b>Description</b>
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment/Allot/Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been issued.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.

<b>Terms</b>	<b>Description</b>
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investor, and allocation to Anchor Investors shall be completed
Anchor Investor Issue Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM.
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares in terms of this Draft Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Application Form	The form in terms of which the Applicant shall make a Application, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Applications Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)/ Applicant	Any prospective investor who makes an Application pursuant to the terms of the Draft Red Herring Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bidder	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
ASBA / Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Hyderabad.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bankers to the Issue/ Public Issue Bank/ Refund Banker	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “Issue Procedure” on page 214 of this Draft Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application 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 in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bidder	Any investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or



<b>Terms</b>	<b>Description</b>
	implied, includes an Anchor Investor.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Closing Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●], and Gujarat edition of the Gujarati Regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and Gujarat edition of the Gujarati Regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made.
BRLM/Book Running Lead Manager	Unistone Capital Private Limited
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.
Business Day	Monday to Friday (except public holidays).
CAN Confirmation or Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, i.e. ₹ [●] per Equity Share, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	Agreement to be entered into and amongst our Company, the Registrar to the Issue, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Public Issue Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for inter alia, the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from

<b>Terms</b>	<b>Description</b>
	Anchor Investors, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
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 Applications 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.
Cut-off Price	The Issue Price, as finalized by our Company, in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion, are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Issue Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account(s) or the Refund Account(s), as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Issue
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)

<b>Terms</b>	<b>Description</b>
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver 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 amendment to SEBI ICDR Regulations.
Designated Stock Exchange	NSE Limited- Emerge Platform
Draft Red Herring Prospectus	This draft red herring prospectus dated February 11, 2023, filed with SEBI and Stock Exchange and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Issue, including the price at which the Equity Shares are issued and the size of the Issue, and includes any addenda or corrigenda thereto.
Eligible NRI(s)	A Non-Resident Indian(s) in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
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 Draft Red Herring Prospectus constitutes an invitation to purchase the Equity shares issued thereby and accounts with SEBI registered qualified depository participants.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Floor Price	The lower end of the Price Band, i.e., ₹ [●] subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids, will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	Fresh issue of up to 14,40,000 Equity Shares aggregating up to ₹ [●] lakhs to be issued by company pursuant to the Issue.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of 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
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 as amended from time to time.
Foreign Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March 17, 2020 and the circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from

Terms	Description
	time to time and the UPI Circulars. The General Information Document shall be available on the website of the Stock Exchange and Book Running Lead Manager.
Gross Proceeds	The total Issue Proceeds to be raised pursuant to the Issue.
Issue / Public Issue / Issue size/ Initial Public Issue / Initial Public Issue/ Initial Public Issuing / IPO	The issuance of up to 14,40,000 Equity Shares at ₹ [●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹ [●] lakhs by our Company.
Issue Agreement	The Agreement dated February 11, 2023 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	₹ [●] per Equity Share, being the final price within the Price Band at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Size	The Public Issue of upto 14,40,000 Equity shares of ₹10/- each at issue price of ₹[●] per Equity share, including a premium of ₹ [●] per equity share aggregating to ₹[●] Lakhs
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “Objects of the Issue” page 75 of this Draft Red Herring Prospectus
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants
Market Maker	Member Brokers of NSE who are specifically registered as Market Maker with the NSE Emerge Platform. In our case, [●]
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
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.
Minimum Promoter's Contribution	Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoter which shall be provided towards minimum promoter's contribution of 20% and locked in for a period of three years from the date of Allotment.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Mutual 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 ₹10 each at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹[●].
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Net Issue Proceeds and Issue expenses, please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning

<b>Terms</b>	<b>Description</b>
	on page 75 of this Draft Red Herring Prospectus.
Non-Institutional Investors / Applicant	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹ 2,00,000/- (but not including NRIs other than Eligible NRIs)
Non-Resident or NR	A person resident outside India, as defined under FEMA and includes Eligible non-resident Indian, Eligible QFIs, FIIs registered with SEBI, FVCIs and FPIs
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
NSE/NSEIL	National Stock Exchange of India
NSE Emerge/SME NSE/SME Exchange	EMERGE Platform of NSE for listing of equity shares offered under Chapter IX of the SEBI ICDR Regulations
Non-Institutional Investors / Applicant	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, Overseas Corporate Body means and includes an entity defined in which not less than 60.00% clause (xi) of Regulation 2 of beneficial interest is irrevocably held by NRIs directly or indirectly and the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on October 3, 2003 and the date of the commencement of these Regulations and immediately prior to such date had taken benefits under the commencement was eligible to undertake transactions pursuant to the general permission granted to under the Regulations. OCBs under FEMA are not allowed to invest in this Issue.
Payment through electronic means	Payment through NECS, NEFT, or Direct Credit, as applicable.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price
Price Band	<p>Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum Price of ₹ [●] per Equity Share (Cap Price) and includes revisions thereof, if any. The Cap Price shall be at least 105% of the Floor Price.</p> <p>The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the Book Running Lead Manager, and will be advertised in all editions of English newspaper [●] (a widely circulated English national daily newspaper), all editions of Hindi newspaper [●] (a widely circulated Hindi national daily newspaper) and Gujarat editions of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarati where our registered office is located), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchange for the purpose of</p>

<b>Terms</b>	<b>Description</b>
	uploading on their website.
Prospectus	The prospectus to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, 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	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the Designated Date.
QIB Portion	The portion of the Issue being not more than [●] % of the Issue or [●] Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of 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. The red herring prospectus will be filed with the RoC at least three working days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.
Refund Account	The 'no-lien' and 'non-interest bearing' account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s)/ Refund Banker(s)	The Bankers to the Issue with whom the Refund Accounts will be opened, in this case being [●].
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Skyline Financial Services Private Limited
Registrar Agreement	The agreement dated January 20, 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.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.

<b>Terms</b>	<b>Description</b>
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s)
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
SEBI	Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations/ICDR Regulations/Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including amendments, instructions and clarifications issued by SEBI from time to time.
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
Securities Law	In accordance with Regulation 2(1)(ccc), the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015 / SEBI Listing Regulations / Listing Regulations / SEBI (LODR) Regulations	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (PFUTP) Regulations / PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Stakeholders	The holders of the Equity Shares from time to time.
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, offering services, in relation to ASBA where the Application Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time, and in relation to RIIs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors using the UPI Mechanism may apply

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	through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
Specified securities	The equity shares issued through this Draft Red Herring Prospectus/Prospectus
Syndicate Agreement	Agreement to be entered into among the Company, the Book Running Lead Manager, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries (other than Book Running Lead Manager) registered with SEBI who are permitted to accept bids, application and place orders with respect to the Issue and carry out activities as syndicate member namely, [●]
Syndicate or members of the Syndicate	Together, the Book Running Lead Manager and the Syndicate Member(s)
Systemically Important Non-Banking Financial Company or NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
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 applicants, as proof of registration of the Application.
Underwriters	[●]
Underwriting Agreement	The Agreement dated [●] entered between the Underwriters, BRLM and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person's bank accounts using a payment address which uniquely identifies a person's bank Account.
UPI Bidders	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, NIBs Bidding with an application size of more than ₹ 200,000 and up to ₹500,000 in the Non-Institutional Portion and Bidding under the UPI Mechanism.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Circulars	The SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular no.



Terms	Description
	(SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019), SEBI circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019), SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020), SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021), SEBI circular no. (SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021), SEBI circular no. (SEBI/HO/CFD/DIL2/P/CIR/2021/570) dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI Mandate Request	<p>A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI</p>
UPI Mechanism	The Application mechanism that may be used by an RII to make an Application in the Issue in accordance the UPI Circulars to make an ASBA Applicant in the Issue.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower, as defined under the SEBI ICDR Regulations.
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Day	The days on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, “Working Day” shall mean all days, excluding all Sundays, Saturdays and public holidays, on which commercial banks in Mumbai are open for business; (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI, including the UPI Circulars.

#### Technical and industry related terms

Term	Full Form
CAGR	Compound Annual Growth Rates
D2C	Direct to Consumer
EDP	Entrepreneurship Development Programme
FPTC	Food Processing Training Centres
FMCG	Fast Moving Consumer Goods
FSSAI	Food Safety and Standards Authority of India
GDP	Gross Domestic Product
GHP	Good Hygienic Practices
GMP	Good Manufacturing Practices

<b>Term</b>	<b>Full Form</b>
gm GM gms GMS	Gram Grams
HACCP	Hazard Analysis and Critical Control Points
HRD	Human Resource Development
kg kgs KG KGS	Kilogram Kilograms
MSP	Minimum Support Payment
PLI	Product - Linked Incentive
RTC	Ready to Cook
RTE	Ready to Eat
RTS	Ready to Serve
ton tonnes	Metric ton. One tonne equals 1000 kgs
TQM	Total Quality Management
WEO	World Economic Outlook
YoY	Year over Year
SKU	Stock Keeping Unit

### **Conventional and General Terms or Abbreviations**

<b>Abbreviation</b>	<b>Full Form</b>
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
Banking Regulation Act	The Banking Regulation Act, 1949
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) /	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations

<b>Abbreviation</b>	<b>Full Form</b>
Category I FPIs	
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CA	Chartered Accountant
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CIBIL	Credit Information Bureau (India) Limited
CST	Central Sales Tax
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CWA/ICWA/CMA	Cost and Works Accountant
CMD	Chairman and Managing Director
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant’s Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee’s State Insurance Corporation
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside

<b>Abbreviation</b>	<b>Full Form</b>
	India) Regulations, 2017
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI/ICMAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
Ltd.	Limited
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board

Abbreviation	Full Form
	of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRI	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NSE Nifty	Nifty in an index; market indicator of the position of stock that is listed in the NSE
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time

<b>Abbreviation</b>	<b>Full Form</b>
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds as defined under the SEBI AIF Regulations
VAT	Value Added Tax
w.e.f.	With effect from
WIP	Work in process
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations
YoY	Year over Year

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of the Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information of our Company”, “Outstanding Litigations and Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.

## **CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

All references in the Draft Red Herring Prospectus to “India” are to the Republic of India. All references in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Jay Kailash Namkeen Limited”, “Jay Kailash”, and, unless the context otherwise indicates or implies, refers to Jay Kailash Namkeen Limited. In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### **Use of Financial Data**

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our financial statements prepared and restated for the period ended on December 31, 2022 and for the period ended on March 31, 2022 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Information of our Company*” beginning on page 145 of this Draft Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31<sup>st</sup> of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory and Peer Review Auditor, set out in section titled “*Financial Information of our Company*” beginning on page 145 of this Draft Red Herring Prospectus.

For additional definitions used in this Draft Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Draft Red Herring Prospectus. In the section titled “*Description of Equity Shares and Terms of the Articles of Association*”, on page 254 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

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

All references to:

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

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in “*Lakhs*” units. One Lakh represents 1,00,000. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal place.

### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout the Draft Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein 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.

Although, we believe industry and market data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled “*Basis for Issue Price*” on page 80 of the Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.



## FORWARD LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events 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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. We have a limited operating history and may be subject to risks inherent in early-stage companies, which may make it difficult for investors to evaluate our business and prospects;
2. Our inability to create, expand and effectively manage our distribution network may have an adverse effect on our business, results of operations and financial condition
3. We may face litigation for using the word “Bingo” as one of our product name;
4. We may not be successful in our B2C line of business
5. We do not own the premises in which our registered office and manufacturing facility is located and the same is on lease and license arrangement. Any termination of such license and non-renewal thereof could adversely affect our operations;
6. 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;
7. Failure to develop, launch and market new products due to unpredictable consumer preferences may have a material adverse effect on our business, results of operations, profitability and financial condition;
8. Any contamination or deterioration of our products could result in legal liability, damage our reputation and adversely affect our business prospects and consequently our financial performance;
9. We face risk associated with running our business without procuring required licenses and statutory approvals;
10. Our top ten customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability;

For further discussion of factors that could cause our actual results to differ, see the Section titled “Risk Factors”; “Our Business” & and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 28, 104 & 170 respectively of the Draft 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 future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place Neither our Company, our Directors, our Officer undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

As, Book Running Lead Manager and Underwriter 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 SEBI requirements, our Company, and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SUMMARY OF OFFER DOCUMENT

### **PRIMARY BUSINESS OF OUR COMPANY**

Our Company is engaged in the business of manufacturing of packaged snacks. We have a wide range of all type of Namkeen and snacks like Chana Jor Namkeen, Masala Chana Jor, Pudina Chana, Masala Mung Jor, Plain Mung Jor, Bingo Triangle, Soya Sticks, Haldi Chana etc. Our diversified product portfolio is therefore, relatively less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product segment.

For further details, please refer chapter titled “Our Business” beginning on Page 104 of this Draft Red Herring Prospectus.

### **SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING**

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food processing industry accounts for 32% of the country’s total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. According to Inc42, the Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. Indian food and grocery market is the world’s sixth largest, with retail contributing 70% of the sales. As per the third advance estimates, food grain production in India is estimated to be 314.51 MT in FY 2021-22. Rapid population expansion in India is the main factor driving the industry. The rising income levels in rural and urban areas, which have contributed to an increase in the demand for agricultural products across the nation, provide additional support for this. In accordance with this, the market is being stimulated by the growing adoption of cutting-edge techniques including block chain, artificial intelligence (AI), geographic information systems (GIS), drones, and remote sensing technologies, as well as the release of various e-farming applications. The Indian food industry is growing at a CAGR of 11% and the output is projected to reach the US \$535 billion by 2025. The food processing sector will be led by the demand in retail and the rise of health-conscious consumers.

For further details, please refer chapter titled “*Industry Overview*” beginning on Page 91 of this Draft Red Herring Prospectus.

### **B. OUR PROMOTER**

Our company is promoted by Neel Narendrabhai Pujara.

For further details, please refer chapter “*Our Promoter and Promoter Group*” beginning from page 139 of this Draft Red Herring Prospectus.

### **C. SIZE OF THE ISSUE**

Public issue of up to [●] 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 to ₹ [●] (“the Issue”)

### **D. OBJECT OF THE ISSUE**

The fund requirements for each of the Object of the Issue are stated as below:

**E. PRE-ISSUE SHAREHOLDING OF OUR PROMOTER AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY**

Sr. No	Names	Pre-Issue		Post-Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoter</b>				
1.	Neel Narendrabhai Pujara	28,47,531	97.07	[●]	[●]
	<b>TOTAL (A)</b>	<b>28,47,531</b>	<b>97.07</b>	<b>[●]</b>	<b>[●]</b>
	<b>Promoter Group</b>				
2.	Tulsi Neel Pujara	5,867	0.20	[●]	[●]
3.	Daxa Hasmukhbhai Bhagdev	42,587	0.62	[●]	[●]
4.	Ekta Hasmukhbhai Bhagdev	587	0.02	[●]	[●]
5.	Hasmukhrai Narrottamdas Bhagdev	587	0.02	[●]	[●]
6.	Niraj Hasumkhhai Bhagdev	18,087	0.62	[●]	[●]
	<b>TOTAL (B)</b>	<b>43,215</b>	<b>1.48</b>	<b>[●]</b>	<b>[●]</b>
	<b>GRAND TOTAL (A+B)</b>	<b>28,90,746</b>	<b>98.55</b>	<b>[●]</b>	<b>[●]</b>

For further details, refer chapter titled “*Capital Structure*” beginning on page 60 of this Draft Red Herring Prospectus.

**F. SUMMARY OF RESTATED FINANCIAL STATEMENT**

(₹ in Lakhs)

Particulars	For the period ended December 31, 2022	For the year ended March 31, 2022
Share Capital	220.00	1.00
Net Worth	310.45	50.42
Total Revenue	535.42	725.97
Profit after Tax	40.02	49.42
Earnings Per Share	1.82	2.29
Net Asset Value Per Share (₹)	14.11	504.24
Total Borrowings	143.75	13.97

For detailed information on the “*Restated Financial Information*”, please refer on page 145 of this Draft Red Herring Prospectus.

**G. AUDITORS’ QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS**

There were no auditor qualifications which required corrective adjustments, and which have not been given effect to in the Restated Financial Information.

**H. SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS:**

Sr. No.	Outstanding Litigations	No. of Outstanding Matters	Financial implications to the extent quantifiable (₹ in Lakhs)
1.	<i>Case against our Company</i>		
	<i>Criminal proceedings</i>	-	-

Sr. No.	Outstanding Litigations	No. of Outstanding Matters	Financial implications to the extent quantifiable (₹ in Lakhs)
	Action by regulatory/statutory authorities	-	-
	Tax proceedings	1	_*
	Material civil litigation	-	-
	Other Matters	-	-
	<b>Total</b>	1	_*
2.	<b>By our Company</b>		
	Material Civil Proceedings	-	-
	Criminal Proceedings	-	-
	<b>Total</b>	-	-
3.	<b>Cases against our Directors</b>		
	Criminal proceedings	-	-
	Action by regulatory/statutory authorities	-	-
	Tax proceedings	8	49.28
	Material civil litigation	-	-
	Other Matters	-	-
	<b>Total</b>	8	49.28
4.	<b>Cases by our Directors</b>		
	Material Civil Proceedings	-	-
	Criminal Proceedings	2	_*
	<b>Total</b>	2	_*

\* The cases marked as \* denote that the aggregate value of amount involved in such cases is not quantifiable or determinable as a result of which no entry in numeric terms against such cases which would denote the aggregate value of amount has been made.

For further information, please refer chapter titled “*Outstanding Litigations and Material Developments*” on page 179 of this Draft Red Herring Prospectus.

## I. RISK FACTORS

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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. 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 offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India. Specific attention of the investors is invited to the section titled “*Risk Factors*” beginning on page 28 of this Draft Red Herring Prospectus.

## J. SUMMARY OF CONTINGENT LIABILITIES

There is no contingent liability in Company.

## K. SUMMARY OF RELATED PARTY TRANSACTIONS

As required under Accounting Standard 18 “Related Party Disclosures” as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18:

(₹ in Lakhs)

	Nature of Transaction	As at 31st Dec., 2022	As at 31st March 2022
<b>A. Key Managerial Person</b>			
<b><u>(i) Mr. Neel Narendrabhai Pujara</u></b>			
Opening Balance	Loan from Director	6.30	-
Add: Loan taken		701.67	356.97
Less: Loan repaid		657.76	350.68
Closing balance		<b>50.21</b>	<b>6.30</b>
<b>B. Transactions with entities wherein Key Managerial Personnel have significant influence:</b>			
<b>(i) Jalaram Transport</b>			
Opening Balance	Loan	9.00	-
Add: Loan given		7.00	9.00
Less: Loan repaid		16.00	-
<b>Closing balance</b>		<b>-</b>	<b>9.00</b>

For further details please refer to the “Annexure 23-Related party transactions” under the chapter titled “Restated Financial Statements” beginning on the Page 145 of this Draft Red Herring Prospectus.

## L. FINANCING ARRANGEMENTS

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

## M. WEIGHTED AVERAGE PRICE & COST OF ACQUISITION

### Weighted average price:

The weighted average price of acquisition of Equity Shares by our Promoter in last one year is:

Name of Promoter	No. of Equity Shares acquired in the last one year from the date of this DRHP	Weighted Average Price (in ₹ per equity share)*#
Neel Narendrabhai Pujara	28,37,531	7.53

# As certified by Kumbhat & Co., Chartered Accountants by way of their certificate dated February 10, 2023.

\* The shares have been acquired through bonus issue.

### Average Cost of Acquisitions of Shares :

The average cost of acquisition of Equity Shares by our Promoter is:

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In ₹ per equity share)*#
Neel Narendrabhai Pujara	28,47,531	7.54

# As certified by Kumbhat & Co., Chartered Accountants by way of their certificate dated February 10, 2023.

\* The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire or received through bonus issue, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the Draft Red Herring Prospectus.

## **N. PRE-IPO PLACEMENT**

Our Company has not issued any equity shares as pre-IPO placement as on the date of this Draft Red Herring Prospectus except as mentioned in the Chapter titled “*Capital Structure*” on page 60 of this Draft Red Herring Prospectus

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

## **O. ISSUE OF SHARE FOR CONSIDERATION OTHER THAN CASH**

Except mentioned herein below, our Company has not issued any equity shares for consideration other than cash during last one year:

<b>Date of Allotment</b>	<b>Name of the Allottees</b>	<b>Equity Shares Allotted</b>
June 06, 2022	Neel Narendrabhai Pujara	21,43,550
	Tulsi Neel Pujara	4,300
	Bharat Gokaldas Karia	430
	Daxa Hasmukhbhai Bhagdev	430
	Ekta Hasmukhbhai Bhagdev	430
	Hasmukhrai Narrottamdas Bhagdev	430
	Niraj Hasumkbhai Bhagdev	430
January 05, 2023	Neel Narendrabhai Pujara	7,31,131
	Tulsi Neel Pujara	1,467
	Bharat Gokaldas Karia	147
	Daxa Hasmukhbhai Bhagdev	147
	Ekta Hasmukhbhai Bhagdev	147
	Hasmukhrai Narrottamdas Bhagdev	147
	Niraj Hasumkbhai Bhagdev	147

## **P. SPLIT / CONSOLIDATION**

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

## **Q. EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAW, IF ANY, GRANTED BY SEBI**

As on date of the Draft Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

## SECTION II - RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 104 and 170, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment 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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.*

*This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

### **Materiality**

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

1. Some events may have material impact qualitatively & quantitatively;
2. Some events may not be material individually but may be found material collectively;
3. Some events may not be material at present but may be having material impact in future.

### **Internal Risk Factors**

- 1. We have a limited operating history and may be subject to risks inherent in early-stage companies, which may make it difficult for investors to evaluate our business and prospects.***

Our Company was originally incorporated as a One Person Company (OPC) under the Companies Act, 2013 with Registrar of Companies, Central Registration Centre through a certificate of incorporation dated June 30, 2021. Thereafter, our Company had taken-over the running business of Proprietorship firm M/s. Kailash Namkeen via business transfer agreement dated July 26, 2021, for expansion of our business. Accordingly, we have very limited operating history from which investors can evaluate our business, future prospects and viability. Investors must consider our business and



prospects in light of the risks and difficulties we face as an early stage company with a limited operating history and should not rely on our past results as an indication of our future performance. In particular, our management may have less experience in implementing our business plan and strategy compared to our more well-established competitors, including our strategy to increase our market share and build our brand name. In addition, we may face challenges in planning and forecasting accurately as a result of our limited historical data and inexperience in implementing and evaluating our business strategies. Our inability to successfully address these risks, difficulties and challenges as a result of our inexperience and limited operating history may have a negative impact on our ability to implement our strategic initiatives, which may have an adverse effect on our business, prospects, financial condition and results of operations.

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

For a business engaged in manufacturing of packaged Indian snacks, creating a distribution network spread across geographically is an important aspect of running a FMCG Company as well as creating a brand. Till March 2022, we have been focusing on B2B business, wherein we manufacture our products for recognised players in our industry, however, we have recently shifted our focus and entered into B2C business also. As a business strategy, we seek to increase the penetration of our products by appointing new distributors and retailers targeted at different geographies. We cannot assure you that we will be able to successfully identify or appoint new distributors and retailers. If the terms offered to such distributors and retailers by our competitors are more favourable than those offered by us, distributors and retailers may decline to distribute our products and terminate their arrangements with us. We may be unable to appoint replacement distributors in a timely fashion, or at all, which may reduce our sales volumes and adversely affect our business, results of operations and financial condition.

***3. We may face litigation for using the word “Bingo” as one of our product name.***

The use of the word "Bingo" in our product "Bingo Triangle" may put our company at risk of intellectual property infringement. The term "Bingo" is already owned by a well-known fast-moving consumer goods (FMCG) company in India, and without a formal agreement in place, we may be vulnerable to legal action from this company. Intellectual property disputes can be costly and time-consuming, and the outcome can be uncertain. If we were to face litigation from this company owning the intellectual property, it could have a significant impact on our business operations. The financial burden of legal fees, potential damages, and the distraction of management and other resources could harm our business prospects, financial condition, and results.

***4. We may not be successful in our B2C line of business***

Currently, we are into B2B business model i.e. Business to Business. In the B2B business model, we receive order from our clients, manufacture according to the order received and deliver in time and receive payment. However, from April, 2022 onwards, we have started a new line of business i.e. B2C (Business to Consumer) wherein we will create our distribution network across geographies, create our brand awareness and sell through channel created by us. For any FMCG company engaged in the manufacturing of packaged Indian snacks to grow, having a distribution network and brand awareness is of paramount importance. Establishing a distribution network and creating brand recognition can be a lengthy and tedious task. Investing in a robust distribution network and a comprehensive brand awareness campaign requires substantial resources, but the payoff can be substantial in terms of increased reach and profitability. However, we may not be successful in creating our own distribution network and brand recognition and this may affect our business, prospects, financial condition and results of operations.

- 5. *We do not own the premises in which our registered office and manufacturing facility is located and the same is on leave and license arrangement. Any termination of such license and non-renewal thereof could adversely affect our operations.***

We do not own our registered office and manufacturing facility situated at Aji Vashahat GIDC A/15 Rajkot, Gujarat-360003, India and is on leave and license basis taken from Smt. Brindaben Dharmendrabhai Jogi (legal heir of Dharmendrabhai Vasantlal Jogi), for a period of Eleven months commencing from June 1, 2022.

We cannot assure you that we will be able to renew our leave and license agreement on commercially acceptable terms or at all. If we are required to vacate the aforementioned premises, we would be required to make new arrangements for our registered office and manufacturing facility and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations and/or have to pay increased charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

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

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

- 7. *Failure to develop, launch and market new products due to unpredictable consumer preferences may have a material adverse effect on our business, results of operations, profitability and financial condition.***

The snack food industry in India is highly evolving and consumers may be tempted to shift their choices and preferences whenever new products are launched or various marketing and pricing campaigns of different brands are introduced. Our future growth depends on our ability to continue to introduce new products, flavours and packaging, and to advertise and market them effectively. We seek to expand our product offerings to suit changing consumer preferences, however, our products may not meet the desired success, or our competitors may respond to such changing consumer preferences more effectively and successfully. Developing and introducing new products can be risky and expensive, and we cannot assure you that our new products or flavours will gain market acceptance or meet the particular tastes or requirements of consumers. The success of our new products depends on our ability to accurately anticipate the tastes and dietary habits of consumers and to offer products that appeal to their preferences and fall within a price range acceptable to them. Acceptance of our new product initiatives by consumers may not be as high as we anticipate. Further, our new products or our existing products may fail to appeal to the consumers, either in terms of taste or price. We may not be able to introduce new products that are fast-growing or generate acceptable margins. Our inability to execute our strategy of continuously introducing new products, improving our portfolio of products and satisfying consumers' changing preferences, could adversely affect our

business, results of operations and financial condition. For further details, see the section titled “Our Business” on page 104 and of this Draft Red Herring Prospectus.

**8. *Any contamination or deterioration of our products could result in legal liability, damage our reputation and adversely affect our business prospects and consequently our financial performance.***

We are subject to various contamination-related risks which typically affect the FMCG industry, including product tampering; relatively short shelf life of certain of our products; improper storage of our products and raw materials; adulteration of our products with any substance unfit for human consumption; labelling and packaging errors; inferior quality raw materials; non-compliance with food safety and quality control standards; cross-contamination of products during manufacturing; as well as wastage of products during manufacturing or transportation. While we have implemented quality control procedures at our manufacturing facility, there can be no assurance that our quality control procedures will be adequate or will not fail, or that the quality tests and inspections conducted by us will be accurate at all times.

The risk of contamination or deterioration exists at each stage of the manufacturing cycle, including during the production, storage and delivery of raw materials, packaging, storage and delivery until final consumption by consumers. Any actual or alleged contamination or deterioration of our products, whether deliberate or accidental, could result in legal liability, damage to our reputation and may adversely affect our business prospects and consequently our financial performance.

**9. *We face risk associated with running our business without procuring required licenses and statutory approvals.***

As a FMCG company, engaged in the business of manufacturing of packaged Indian snacks, we are required to procure certain mandatorily required licenses and statutory approvals in the ordinary course of business, including but not limited to permission under Gujarat Pollution Control Board under the Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”) and Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”) to operate and consent to establish the manufacturing facility of the Company, no objection certificate under Gujarat Fire Prevention and Life Safety Measures Act, 2013, license / permit under the Legal Metrology Act, 2009 and certificate under Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976. Although, we have recently made the application to procure the above-mentioned licenses, permits, statutory approvals, however, in past we have operated our business without getting these licenses, permits and statutory approvals. Running and operating a business without the required licenses can have significant legal and financial consequences. Some of the risks associated with this include legal penalties, fines and legal action against our company and loss of credibility which could adversely affect our business, results of operations and financial condition. For further details, see “Government and other approvals” on page 186 and of this Draft Red Herring Prospectus

**10. *Our top ten customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top ten customers for the period ended March 31, 2022, and for the period ended December 31, 2022, have contributed to 88.94% and 95.63%, respectively of our revenue from operations. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since our business is concentrated among relatively few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason. Further, we also cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of

operations would be adversely affected. While we believe we have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

***11. We are dependent upon few suppliers for our raw materials at our manufacturing facility. In an eventuality where our suppliers are unable to deliver us the required materials in a timebound manner it may have a material adverse effect on our business operations and profitability***

Our top ten suppliers for the period ended March 31, 2022, and for the period ended December 31, 2022, have contributed to 97.51% and 94.90%, respectively of our purchases. In the event of a delay, inadequacy or default in deliveries by any of our vendors, we may not be able to source our raw material on an adequate and timely basis or on commercially acceptable terms. A major disruption to the timely and adequate supplies of our raw materials could adversely affect our business, results of operations and financial condition. Any problems faced by our suppliers in their manufacturing facilities resulting in delays or non-adherence to quality requirements could adversely impact our ability to meet our customer's requirements in time and our operations would be affected to the extent we are unable to line up supplies from alternate suppliers.

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

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

***13. Any negative operating cash flows in the future would adversely affect our cash flow requirements, which may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.***

The following table sets forth certain information relating to our operating cash flows for the periods indicated:

(₹ in lakhs)

Particulars	For the period ended December 2022	For the period ended 2022
Net cash flow from operating activities	(167.03)	65.11

Negative operating cash flows over extended periods, or significant negative operating cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further information, see “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 145 and 170, respectively.

***14. Stringent food safety, 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, health and safety and other laws and regulations. These relate to various issues, including food safety, food ingredients, and food packaging requirements, and the investigation and remediation of contamination. 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 our 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.

***15. Our business involves usage of manpower and any unavailability of our employees or any strikes, work stoppages, increased wage demands by workmen may have an adverse impact on our cash flows and results of operations.***

Our business involves usage of manpower, and we are dependent on the availability of our permanent employees and the supply of workers. Unavailability or shortage of workmen or any strikes, work stoppages, increased wage demands by workmen may have an adverse impact on our cash flows and results of operations. We may not be able to secure the required number of workers required for the timely execution of our functions for a variety of reasons including, but not limited to, strikes, less competitive rates. Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes deployed. This may adversely affect our business and cash flows and results of operations.

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

Our business model requires us to maintain a certain level of inventory of food products, to meet the present and future orders. 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.

***17. Our success depends on stable and reliable logistics and transportation infrastructure. products to our customers and / or increase our transportation costs, which may adversely affect our operations.***

We utilize our own as well as third party transportation services for procurement of raw materials and supply of our products and from / to our suppliers and customers. Transportation involves risks, including, collision, grounding, storm, fire, explosion, lightning and political instability. Any delay or disruption caused to the transportation of materials could adversely impact our ability to procure the materials as well as to meet the delivery schedule of the customers in an economical manner. To ensure timely delivery of our products, we may also be required to maintain relatively high level of inventory of our products and this may also resultantly increase our cost. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on transportation charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess transportation charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

**18. There are outstanding legal proceedings involving our Directors, Promoters & Company. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

As on the date of filing of this Draft Red Herring Prospectus, there are certain outstanding legal proceedings initiated by or against our Company, Promoters, Directors that are incidental to our business and operation. A summary of outstanding litigation proceedings involving our Company, our Promoter, our Directors as on the date of this Draft Red Herring Prospectus is provided below:

<b>Outstanding Litigations</b>	<b>No. of Outstanding Matters</b>	<b>Financial implications to the extent quantifiable (₹ in Lakhs)</b>
<b>Case against our Company</b>		
<i>Criminal proceedings</i>	--	--
<i>Action by regulatory / statutory authorities</i>	--	--
<i>Tax proceedings</i>	1	--*
<i>Material civil litigation</i>	--	--
<i>Other Matters</i>	--	--
<b>Total</b>	1	--*
<b>By our Company</b>		
<i>Material Civil Proceedings</i>	--	--
<i>Criminal Proceedings</i>	--	--
<b>Total</b>	--	--
<b>Cases against our Directors</b>		
<i>Criminal proceedings</i>	--	--
<i>Action by regulatory / statutory authorities</i>	--	--
<i>Tax proceedings</i>	8	49.28
<i>Material civil litigation</i>	--	--
<i>Other Matters</i>	--	--
<b>Total</b>	8	49.28
<b>Cases by our Directors</b>		
<i>Material Civil Proceedings</i>	--	--
<i>Criminal Proceedings</i>	2	--*
<b>Total</b>	2	--*

We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition.

**19. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects**

Our company's net working capital consisted of ₹ 33.56, and ₹ 443.98 lakhs for the financial year ended 2022, and for the period ended December 31, 2022, respectively. The net working capital requirement for the financial year 2024 and 2025 is projected to be ₹ 492.04 and ₹ 556.39 Lakhs, respectively. A significant portion of our working capital is utilized towards inventories, trade receivables and trade payables. Summary of our working capital position is given below:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022 (Audited)	For the period ended December 31, 2022 (Audited)	For the year ended March 31, 2024 (Estimated)	For the year ended March 31, 2025 (Estimated)
<b>Current Assets</b>				
Inventories	105.53	257.62	234.91	264.67
Trade Receivables	15.59	93.03	156.61	183.23
Cash and Bank Balance	24.75	54.86	58.73	76.35
Short Term Advances	0.00	0.00	0.00	-
Other Current Assets	43.59	131.95	250.57	285.03
<b>Total Current Assets (A)</b>	<b>189.46</b>	<b>537.46</b>	<b>700.82</b>	<b>809.27</b>
<b>Current Liabilities</b>				
Trade Payables	131.83	63.23	127.48	146.59
Other Current Liabilities	24.07	30.25	78.30	101.80
Short Term Provisions	-	-	3.00	4.50
<b>Total Current Liabilities (B)</b>	<b>155.90</b>	<b>93.48</b>	<b>208.78</b>	<b>252.88</b>
<b>Net Working Capital (A-B)</b>	<b>33.56</b>	<b>443.98</b>	<b>492.04</b>	<b>556.39</b>
<b>Source of funds</b>				
Borrowings and internal accruals	33.56	443.98	42.04	306.39
Issue proceeds			450.00	250.00

We operate in a working capital-intensive industry therefore our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, at a future date, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects. For further details regarding incremental working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page 75 of this Draft Red Herring Prospectus.

**20. Our company is being promoted by a first-generation entrepreneur.**

Our Promoter is a first-generation entrepreneur. His experience in managing and being instrumental in the growth of our Company is limited to the extent of his knowledge and experience. The limited knowledge and experience of our first-generation promoter as a entrepreneur poses a risk to the management and growth of our company, and there is no assurance that this will not negatively impact the future success of our business. For further details, please refer chapter titled “Our promoter and promoter group” beginning on Page 139 of Draft Red Herring Prospectus.

**21. Our Company has unsecured loans with a total outstanding amount of ₹ 104.23 lakhs as of December 31, 2022, that may be recalled by the lenders at any time**

Our Company has currently availed certain unsecured loans. The total outstanding amount of the unsecured loan as of December 31, 2022, was ₹ 104.23 lakhs. These loans may be recalled by the lenders at any time. In the event that the lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all and this may affect our Company’s liquidity. If we are unable to procure such financing, we may not have adequate working capital to maintain the desired inventory level. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further details of these unsecured loans, please refer to Chapter titled “Restated Financial Statements” beginning on page 145 of this Draft Red Herring Prospectus

**22. *Our business requires us to obtain and renew certain registrations, licenses, approvals, NOCs and permits in the ordinary course of our business. Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business, financial condition and results of operations.***

We are required to obtain and maintain a number of statutory and regulatory licences, registrations, permits and approvals, generally for carrying out our business. In addition, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or seek new approvals, licenses, registrations and permits from time to time, as and when required in the ordinary course of our business. Obtaining licences, registrations, permits and approvals or their renewals are time consuming processes and are subject to frequent delays. We have obtained licenses, registrations, permits and approvals from the relevant authorities and are renewing such statutory approvals periodically for our business.

Further, pursuant to conversion after complying with the relevant and the applicable provisions and procedures of Companies Act, 2013, the name of our company was changed. Many of the Licenses and approvals are in the old name, the same are required to be updated / changed with various government / semi government authorities and various organizations. We are in the process of taking necessary steps for transferring the approvals in the new name of our Company. There can be no assurance that the relevant authorities will renew or issue any of such permits or approvals in the time-frame anticipated by us or at all. Any failure to apply for and obtain the required approvals, licenses, registrations or permits in a timely manner, or any suspension or revocation of any of the approvals, licenses, registrations and permits would result in a delay in our business operations which could otherwise adversely affect our financial condition, results of operations and future prospects of the Company. We cannot assure you that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. In addition to the same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business and results of operations. For further details regarding the material approvals, licenses, registrations and permits, please see “Government and other approvals” on page 186 of this Draft Red Herring Prospectus

**23. *We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.***

The market in which our Company is doing business is highly competitive on account of both the organized and unorganized players. Players in our industry generally compete with each other on key attributes. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

**24. *We have certain amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire.***

As on December 31, 2022, our long-term borrowings were ₹ 35.94 lakhs & short-term borrowings were ₹ 99.48 lakhs and as per our business requirements, we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

- limiting our ability to borrow additional amounts in the future;
- increasing our finance costs.



- increasing our vulnerability to general adverse economic, industry and competitive conditions; and
- affecting our capital adequacy requirements;

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. For further details of our Company's borrowings, see "Financial Indebtedness" on page 178 of this Draft Red Herring Prospectus.

***25. We have entered into and may continue to enter into related party transactions and there can be no assurance that such transactions have been on favourable terms.***

In past, we have entered into certain transactions with related parties may continue to do so in future. While our Company believes that all such transactions have been conducted on arms-length basis, and is in compliance with the Companies Act and the SEBI (LODR) Regulations, 2015, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions also in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to "Annexure 23 - Related Party Transactions" under section titled "Financial Information" on page 145 of this Draft Red Herring Prospectus.

***26. We do business with our customers on purchase order basis and do not have long-term contracts with them.***

Our business is conducted on purchase order basis, depending on customer requirements for our Products in our B2B and B2C business. We do not have long-term contracts with our customers and there can be no assurance that we will continue to receive repeat orders from any of them. Further, even if we were to continue receiving orders from our customers, there can be no assurance that they will be on the same terms, and the new terms may be less favourable to us than those under the present terms. However, our management attempts to ensure customer satisfaction and continuing repeat orders from them endorse our attempts.

***27. Our company has been recently incorporated and any non-compliance with the provisions of Companies Act, 2013 may attract penalties against our Company which could impact our financial and operational performance and reputation.***

Our company was incorporated on June 30, 2021, and subsequently, we had taken-over the running business of proprietorship firm M/s. Kailash Namkeen via business transfer agreement dated July 26, 2021, for expansion of our business. There has been an instance of non-compliance with respect to not having a specific object clause for acquiring the running business of proprietorship firm M/s. Kailash Namkeen via business transfer agreement. It cannot be assured, that there will not be other such instances in the future, or our Company will not commit any non-compliances, 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.

***28. Our success is dependent on our management team, key managerial personnel and skilled manpower. Our inability to attract and retain key personnel or the loss of services of our key personnel may have an adverse effect on our business prospects.***

Our management team, key managerial personnel and skilled manpower have significantly contributed to the growth of our business, and our future success is dependent on their continued services. An

inability to retain any key personnel may have an adverse effect on our operations. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow our operations. In the future, we may also not be able to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, our directors or other key personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects. For further details, please refer chapter titled “*Our Promoter and Promoter Group*” and “*Our Management*” beginning on page 139 & 126 of this Draft Red Herring Prospectus.

**29. *We have not identified any alternate source of financing the ‘Objects of the Issue’. If we fail to mobilize resources as per our plans, our growth plans may be affected.***

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation please refer to the chapter titled “Objects of the Issue” on page 75 of this Draft Red Herring Prospectus

**30. *Information relating to our production capacities and the historical capacity utilization of our production facility included in this Draft Red Herring Prospectus is based on factual data and future production and capacity utilization may vary.***

Information relating to our production capacities and the historical capacity utilization of our production facility included in this Draft Red Herring Prospectus is based on factual data. Actual production levels and utilization rates in future may differ significantly from the past production capacities or capacity utilization information of our facility. Undue reliance should therefore not be placed on our production capacity or capacity utilization information for our facility included in this Draft Red Herring Prospectus. For further information, see the section titled “Our Business” on page 104 of this Draft Red Herring Prospectus.

**31. *Concerns over obesity or nutritional values of our products may reduce demand for some of our products.***

There is growing concern among consumers, public health professionals and government agencies about the health problems associated with obesity. Increasing public concern about obesity; additional governmental regulations concerning the marketing, labelling, packaging or sale of our products; and negative publicity resulting from actual or threatened legal actions against us or other companies in our industry relating to the marketing, labelling or sale of our fried snacks may reduce demand for or increase the cost of our fried snacks, which could adversely affect our profitability.

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

We have not independently verified data from the industry and related data contained in this Draft Red Herring Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled. Therefore, discussions of matters relating to India, its economy or the industry 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.

**33. *We are susceptible to risks relating to unionization of our workers employed by us.***

None of our workers are currently represented by a recognized collective bargaining agreement. We cannot assure you that our workers will not unionize, or attempt to unionize in the future, that they will not otherwise seek higher wages and enhanced employee benefits. We also cannot assure you that we will not experience disruptions in our work due to disputes or other problems with our workforce. If not resolved in a timely manner, these risks could limit our ability to provide our products to our customers, cause customers to limit their use of our products or result in an increase in our cost of employee benefits and other expenses. If any of these risks materialize, our business, results of operations and financial condition could be affected.

***34. Brand recognition is important to the success of our business, and our inability to build and maintain our brand name will harm our business, financial condition and results of operation.***

Brand recognition is important to the success of our business and we have recently launched our brand. Establishing and maintaining our brand name “Jay Kailash Namkeen” in the industry or for people relying on products is critical to the success of the customer acquisition process of our business. Although, we expect to allocate our resources, financial and otherwise, on establishing and maintaining our brand, no assurance can be given that our brand name will be effective in attracting and growing user and customer base for our business or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

***35. Any penalty or demand raised by statutory authorities in future may affect our financial position of the Company.***

Our Company is mainly engaged in business of manufacturing of packaged food which may attract tax liability such as Income tax & Goods and Service Tax and other applicable provision of the Acts. However, the Company has been depositing the return under above applicable acts but any demand or penalty raised by concerned authority in future for any previous year and current year may affect the financial position of our Company. Any such penalty arising in future may lead to financial loss to our Company. For further details, please refer “Outstanding Litigations and Material Development” beginning on page 179 of this Draft Red Herring Prospectus.

***36. Our insurance coverage may not adequately protect us against potential risk, and this may have a material adverse effect on our business.***

We maintain insurance coverage for key risks relating to our business. While we believe that the amount of our insurance coverage is in line with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. In addition, not all risks associated with our operations may be insurable, on commercially reasonable terms or at all. Although we believe that we have obtained insurance coverage customary to our business, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Natural disasters in the future or occurrence of any other event for which we are not adequately or sufficiently insured may cause significant disruption to our operations that could have a material adverse impact on our business and operations. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition and cash flows. If we are subject to litigation or claims or our operations are interrupted for a sustained period, we cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption.

***37. Our funding requirements and proposed deployment of the net proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be change subject to the approval of shareholders by passing special resolution pursuant to section 27 of Companies Act, 2013 through postal ballot or subject to an authority given by the Company in general meeting by way of special resolution and based on various factors which are beyond our control. For further details, please see the section titled “Objects of the Issue” beginning on page 75 of this Draft Red Herring Prospectus

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

As per SEBI (ICDR) Regulations, appointment of monitoring agency is required only for Issue size above ₹ 10,000 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of Listing Agreement. Further, our Company shall inform about material deviations, if any, in the utilization of Issue proceeds to the NSE.

***39. We do not own our trademark as on the date of this Draft Red Herring Prospectus. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third party intellectual property rights.***

We do not own our trademark as on the date of this Draft Red Herring Prospectus. However, we have applied for registration of the same and the status of application is marked for exam. As such, we do not enjoy the statutory protections accorded to a registered trademark as on date. There can be no assurance that we will be able to register the trademark and the logo in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. 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 our intellectual property. For further details please refer to chapter titled “Government and Other Approvals” beginning on page 186 of the Draft Red Herring Prospectus.

***40. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements of our company. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

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

Post this issue, our Promoter and Promoter Group will collectively own [●]% of our equity share capital. As a result, our Promoter, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any

proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing, or deterring a change in control of our Company.

- 42. *We have issued equity shares during the last one year at a price that may be below the issue price. Furthermore, the average cost of acquisition of equity shares by our Promoters could be lower than the issue price.***

During the last one year we have issued equity shares at a price that may be lower than the issue Price:

Date of transaction	No. of equity shares purchased / sold	Face value	Issue price	Nature of allotment
May 30, 2022	40,000	10.00	10.00	Rights issue

Furthermore, our promoter's average cost of acquisition of equity shares in our Company may be lower than the issue price as decided by the Company, in consultation with the lead manager. For further details, please refer to the chapters "Capital Structure" beginning on page 60 of this Draft Red Herring Prospectus.

- 43. *The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchange may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop. The Issue Price of the Equity Shares is proposed to be determined through a book building 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.

- 44. *Our Promoters and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Promoters and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives, and benefits deriving from their directorship and shareholding in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves. For further details, please refer to the chapters titled "Our Promoter and Promoter Group", beginning on page 139 and the chapter titled "Restated Financial Statements" on page 145 of this Draft Red Herring Prospectus.

- 45. *Any future issuance of Equity Shares may dilute the shareholding of the investor, or any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire Post-Issue paid-up share capital,

held by our Promoter or other shareholders will be locked-in as per SEBI ICDR Regulations from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchange. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled “Capital Structure” beginning on page 60 of this Draft Red Herring Prospectus. Any future issuance or sale of the equity shares of our Company by our Promoter or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

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

We are not a listed company. We have not 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 Equity Listing Agreements with the Stock Exchange which will require us to file audited annual and half yearly 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.

Further, 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 and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management’s attention may be diverted from business concerns, which may adversely affect our business, prospects, financial condition, and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge but cannot assure that we will be able to do so in a timely and efficient manner.

**External Risk Factors**

***47. 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.

***48. Any downgrading of India’s debt rating by an international rating agency could adversely affect our business.***

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

***49. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions specified by the RBI, then the prior approval of RBI will be required. Additionally, shareholders who seek to convert rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further details, please refer to section titled “Restrictions on Foreign Ownership of Indian Securities” beginning on page 252 of this Draft Red Herring Prospectus.

***50. QIB and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete Allotment and list pursuant to the issue within six Working Days from the Bid/ Issue Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

***51. Political instability and significant changes in Government policy could adversely affect economic conditions in India generally and our business in particular***

Changes in exchange rates and controls, interest rates, Government policies, taxation, social and ethnic instability and other political and economic developments in and affecting India may have an adverse effect on our results of operations.

India has a mixed economy with a large public sector and an extensively regulated private sector. The role of the Government and that of the state governments in the Indian economy and their effect on producers, consumers, service providers and regulators has remained significant over the years. Both state and central governments have, in the past, among other things, imposed controls on the prices of a broad range of goods and services, restricted the ability of businesses to expand existing capacity and reduce the number of their employees and determined the allocation to businesses of raw materials and foreign exchange. Since 1991, successive Governments have pursued policies of economic liberalization, including significantly relaxing restrictions in the private sector. Nevertheless, the role of the Government and state governments in the Indian economy as producers, consumers and regulators has remained significant. There can be no assurance that the Government’s past liberalization policies or political stability will continue in the future. Elimination or substantial change of such policies or the introduction of policies that negatively affect the security service industry could have an adverse effect on our business. Any significant change in India’s economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and our business in particular.

***52. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.



## SECTION III – INTRODUCTION

### THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
<b>Fresh Issue of Equity Shares by our Company</b> <sup>(1)(2)</sup>	Upto 14,40,000 Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].
<b>of which</b>	
<b>Issue Reserved for the Market Makers</b>	Up to [●] Equity Shares having face value of ₹10 each at a price of ₹[●] per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].
<b>Net Issue to the Public*</b>	Up to [●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●].
<b>of which</b>	
<b>A. QIB portion</b> <sup>(3)</sup>	<b>Not more than [●] Equity Shares</b>
<b>of which</b>	
(a) Anchor Investor Portion	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>of which</b>	
(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>B. Non – institutional portion</b>	<b>Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs</b>
<b>C. Retail portion</b>	<b>Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs</b>
<b>Pre and Post Issue Share Capital of our Company</b>	
<b>Equity Shares outstanding prior to the Issue</b>	29,33,333 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	Up to [●] Equity Shares having face value of ₹10 per Equity Share
<b>Objects of the Issue/ Use of Issue Proceeds</b>	Please refer Section titled “ <i>Objects of the Issue</i> ” on page 75 of this Draft Red Herring Prospectus.

- (1) *Public issue of up to 14,40,000 Equity Shares face value of ₹10 each for cash at a price of ₹ [●] including premium of ₹ [●] per Equity Share of our Company aggregating to ₹ [●]. This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to section “Issue Structure” beginning on page 210 of this Draft Red Herring Prospectus. The Issue has been authorised by a resolution of our Board dated December 08, 2022. Our Shareholders have authorised the Issue pursuant to a special resolution dated January 02, 2023.*
- (2) *Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a*

*proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portions shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Issue Procedure” on page 214.*

- (3) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law.*

For further details regarding the Issue Structure and Procedure, please refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 210 and 214 respectively of this Draft Red Herring Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**  
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

<b>JAY KAILASH NAMKEEN LIMITED</b> <b>Annexure A: Restated Statement of Assets and Liabilities</b> <b>(Rupees in Lakhs)</b>				
	Particulars	Note No.	As at 31st Dec ,2022	As at 31st March,2022
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>Shareholders' Funds</b>			
	(a) Share Capital	<b>2</b>	220.00	1.00
	(b) Reserve and surplus	<b>3</b>	130.12	49.42
			<b>350.12</b>	<b>50.42</b>
<b>(2)</b>	<b>Non-current liabilities</b>			
	(a) Long -term borrowing	<b>4</b>	35.94	3.14
	(b) Deffered Tax liabilities(Net)	<b>5</b>	0.99	2.96
			<b>36.94</b>	<b>6.10</b>
<b>(3)</b>	<b>Current Liabilities</b>			
	(a) Short Term Borrowings	<b>6</b>	99.48	10.83
	(b) Trade Payables	<b>7</b>		
	(i) Due to Micro & Small & Medium Enterprises		34.76	105.92
	(ii) Others		28.47	25.91
	(c) Other Current Liabilities	<b>8</b>	30.25	24.07
			<b>192.96</b>	<b>166.73</b>
	<b>TOTAL</b>		<b>580.01</b>	<b>223.25</b>
<b>II.</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non Current Assets</b>			
	(a) Property, Plants and Equipment	<b>9</b>		
	(i) Tangible Assets (Net)		42.56	33.79
			<b>42.56</b>	<b>33.79</b>
<b>(2)</b>	<b>Current Assets</b>			
	(a) Inventories	<b>10</b>	257.62	105.53
	(b) Trade Receivable	<b>11</b>	93.03	15.59
	(c) Cash and Cash Equivalents	<b>12</b>	54.86	24.75
	(d) Other Current Assets	<b>13</b>	131.95	43.59
			<b>537.45</b>	<b>189.46</b>
	<b>TOTAL</b>		<b>580.01</b>	<b>223.25</b>

<b>Jay Kailash Namkeen Limited</b> <b>Annexure B: Restated Statement of Profit and Loss</b> <b>(Rupees in Lakhs)</b>				
	Particulars	Note No.	For the period ended on 31st December 2022	For the period ended on 31st March 2022
<b>I</b>	Revenue from operation	<b>14</b>	767.28	725.97
<b>III</b>	<b>Total Revenue</b>		<b>767.28</b>	<b>725.97</b>
<b>IV</b>	<b>Expenses</b>			
	Cost of Material consumed	<b>15</b>	532.13	671.39
	(Increase)/Decrease in Stock	<b>16</b>	50.10	-63.87
	Employee Benefits Expenses	<b>17</b>	8.75	9.20
	Finance Cost	<b>18</b>	3.61	0.14
	Depreciation and Amortisation Cost	<b>9</b>	10.48	7.42
	Other expenses	<b>19</b>	54.94	27.10
	<b>Total Expenses</b>		<b>660.02</b>	<b>651.39</b>
<b>V</b>	<b>Profit before tax Extraordinary and Exceptional Items</b>		<b>107.26</b>	<b>74.59</b>
<b>VI</b>	<b>Extraordinary Items And Tax</b>			
	Prior Period Expenses		-	-
<b>VIII</b>	<b>Profit Before Tax</b>		<b>107.26</b>	<b>74.59</b>
<b>VII</b>	Tax Expenses			
	(1) Current Tax		29.53	22.20
	(2) Deferred Tax		-1.96	2.96
<b>VII</b>	<b>Profit (Loss) for the Year</b>		<b>79.70</b>	<b>49.42</b>
<b>VIII</b>	Earning per Equity share :	<b>20</b>		
	(1) Basic		<b>2.72</b>	<b>1.71</b>
	(2) Diluted		<b>2.72</b>	<b>1.71</b>

**JAY KAILASH NAMKEEN LIMITED**  
**Annexure C: Restated Cash Flow Statement**

	<b>31st December, 2022</b>	<b>31st March, 2022</b>
	Amt in Lakhs	Amt in Lakhs
<b>Cash flow from operating activities</b>		
<b>Profit/(loss) before tax</b>	<b>107.26</b>	<b>74.59</b>
Non-cash adjustments to reconcile profit before tax to net cash flows		
Depreciation	10.48	7.42
Finance Cost	3.61	0.14
<b>Operating profit/(loss) before working capital changes</b>	<b>121.35</b>	<b>82.15</b>
<b>Movements in working capital:</b>		
Increase/(decrease) in other Long Term borrowings	32.80	3.14
Increase/(decrease) in short term borrowings	88.65	10.83
Increase/(decrease) in trade payables	-68.60	105.92
Increase/(decrease) in other current liabilities	6.18	24.07
Decrease/(increase) in Short Term Provisions	-	-
Decrease/(increase) in Long Term Loans and Advances	-	-
Decrease/(increase) in Other Non-current Assets	-	-
Decrease/(increase) in Inventories	-152.09	-105.53
Decrease/(increase) in trade receivables	-77.44	-15.59
Decrease/(increase) in other Current Assets	-88.36	-43.59
<b>Cash generated from Operations</b>	<b>-137.50</b>	<b>61.40</b>
Direct taxes paid	-29.53	-22.20
<b>Net Cash from Operating Activities (A)</b>	<b>-167.03</b>	<b>39.20</b>
<b>Cash flows from investing activities</b>		
Sale/(Purchase) of Fixed Assets	-19.26	-41.21
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>-19.26</b>	<b>-41.21</b>
<b>Cash flow from financing activities</b>		
Increase in share capital	219.00	1.00
Increase in Security Premium	1.00	-
Finance Cost	-3.61	-0.14
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>216.39</b>	<b>0.86</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	30.10	-1.15
Cash and cash equivalents at the beginning of the year	24.75	-
Cash and cash equivalents at the end of the year	54.86	24.75
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>30.10</b>	<b>24.75</b>

## GENERAL INFORMATION

Our Company was originally incorporated on June 30, 2021 as “Jay Kailash Namkeen (OPC) Private Limited” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently our Company has acquired the running business of “Kailash Namkeen” a proprietorship firm through Business Transfer Agreement dated July 26, 2021. Further the name of our company was changed from “Jay Kailash Namkeen (OPC) Private Limited” to “Jay Kailash Namkeen Private Limited” and fresh certificate of incorporation dated May 25, 2022 was issued by, Registrar of Companies, Ahmedabad pursuant to conversion of one-person company to private company. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Jay Kailash Namkeen Private Limited” to “Jay Kailash Namkeen Limited” vide fresh certificate of incorporation dated June 24, 2022 issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U15549GJ2021PLC123708.

For further details, please refer to chapter titled “History and Corporate Structure” beginning on page 122 of this Draft Red Herring Prospectus.

Brief of Company and Issue Information	
<b>Registered Office</b>	<b>Jay Kailash Namkeen Limited</b> Aji Vashahat GIDC A/15, Rajkot Gujarat-360003, India. <b>Tel. No.:</b> 0281-2389727 <b>E-mail:</b> <a href="mailto:info@jaykailashnamkeen.com">info@jaykailashnamkeen.com</a> <b>Website:</b> <a href="http://www.jaykailashnamkeen.com">www.jaykailashnamkeen.com</a> <b>Reg. No.:</b> 123708
<b>Date of Incorporation</b>	June 30, 2021
<b>Corporate Identification Number</b>	U15549GJ2021PLC123708
<b>Company Category</b>	Company Limited by Shares
<b>Company Subcategory</b>	Indian Non-Government Company
<b>Address of Registrar of Companies</b>	ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India. <b>Tel No.</b> +91- 079-27438531 <b>Fax No.:</b> +91- 079-27438371 <b>Email:</b> <a href="mailto:roc.ahmedabad@mca.gov.in">roc.ahmedabad@mca.gov.in</a> <b>Website:</b> <a href="http://www.mca.gov.in">http://www.mca.gov.in</a>
<b>Designated Stock Exchange<sup>^</sup></b>	<b>National Stock Exchange of India Limited</b> <b>EMERGE Platform of NSE Limited (“NSE EMERGE”)</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai-400 051, Maharashtra, India.
<b>Company Secretary and Compliance Officer</b>	<b>Anushree Vijay</b> <b>Jay Kailash Namkeen Limited</b> Aji Vashahat GIDC A/15, RajkotGujarat 360003 India <b>Tel No.:</b> 0281-2389727 Email: <a href="mailto:cs@jaykailashnamkeen.com">cs@jaykailashnamkeen.com</a> Website: <a href="http://www.jaykailashnamkeen.com">www.jaykailashnamkeen.com</a>
<b>Chief Financial Officer</b>	<b>Tulsi Neel Pujara</b> <b>Jay Kailash Namkeen Limited</b> Aji Vashahat GIDC A/15, Rajkot Gujarat-360003 India. <b>Tel. No.:</b> 0281-2389727 <b>E-mail:</b> <a href="mailto:cfo@jaykailashnamkeen.com">cfo@jaykailashnamkeen.com</a>

	<b>Website:</b> <a href="http://www.jaykailashnamkeen.com">www.jaykailashnamkeen.com</a>
<b>Peer Review / Statutory Auditor of the company</b>	<b>M/s Kumbhat &amp; Co.</b> 606, 6 <sup>th</sup> floor, Corporate Avenue Sonawala X road, Goregaon (E), Mumbai-400063, Maharashtra, India <b>Tel No:-</b> 022-40146878 <b>Email id:</b> <a href="mailto:gaurang@kumbhatco.in">gaurang@kumbhatco.in</a> <b>Contact person:</b> Gaurang C. Unadkat <b>Firm Registration No:</b> 0016095 <b>Peer review no:</b> 012509

<sup>^</sup> In compliance with Regulation 230(1)(a) of SEBI (ICDR) Regulation, 2018, we have made an application to EMERGE platform of NSE limited only for listing of our equity shares.

## Board of Directors of our Company

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Neel Narendrabhai Pujara	Chairman and Managing Director	Flat 402C, Man Mandir Apartment, Pelesh Road, Ashapura Mataji Mandir, Rajkot-360001, Gujarat, India.	09221477
Tulsi Neel Pujara	Whole Time Director	Flat 402C, Man Mandir Apartment, Pelesh Road, Ashapura Mataji Mandir, Rajkot-360001, Gujarat, India.	09560733
Hasmukhrhai Bhagdev Narottamdas	Non-Executive Director	Ramkrupa, Plot-23 AB, Shiv Sangam Residency, Behind Adani Market, 150 Feet Ring Road, Rajkot-360007, Gujarat, India.	02454992
Rakeshbhai Dhirajlal Popat	Independent Director	Narayan Nagar, Main Road, Pedak Road, Rajkot-360003, Gujarat, India.	09630091
Mitul Vinodbhai Undhad	Independent Director	Block No-96, Street No-3, B/H, Reliance Mall, Shivshangam Society, 150 Ring Road, Rajkot -360007, Gujarat, India.	09643456

For further details of the Directors of our Company, please refer to the chapter titled “Our Management” on page 126 of this Draft Red Herring Prospectus.

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

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
<b>Unistone Capital Private Limited</b> Unit no 305, A wing, Dynasty business Park, Andheri Kurla road, Andheri (E), Mumbai, 400 059, Maharashtra, India. <b>Telephone:</b> 022 4604 6494 <b>Email:</b> <a href="mailto:mb@unistonecapital.com">mb@unistonecapital.com</a> <b>Website:</b> <a href="http://www.unistonecapital.com">www.unistonecapital.com</a> <b>Contact Person:</b> Brijesh Parekh <b>SEBI Registration No:</b> INM000012449 <b>CIN:</b> U74120MH2015PTC270984	<b>Skyline Financial Services Private Limited</b> D-153A, 1 <sup>st</sup> floor, Okhla Industrial area, Phase I, New Delhi-110 020, India. <b>Telephone :</b> 011 4045 0193 / 197 <b>Facsimile:</b> 011 2681 2683 <b>Email:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> <b>Investor grievance Email:</b> <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a> <b>Contact Person :</b> Rati Gupta <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>SEBI Registration No:</b> INR000003241 <b>CIN :</b> U74899DL1995PTC071324
LEGAL ADVISOR TO THE ISSUE	STATUTORY & PEER REVIEWED AUDITORS

<b>Zastriya, Attorneys &amp; Legal Consultants</b> <b>Address:</b> 37/38, 3rd floor, Landmark Tower, Mith Chowk, Link Road, Malad (West), Mumbai-400 064, Maharashtra, India. <b>Tel No.:</b> 9920120018/ 9920239759 <b>Contact Person:</b> Mr. Nishant Rana and Mrs. Chinmayee <b>Email Id:</b> <a href="mailto:nishant.rana@zastriya.in">nishant.rana@zastriya.in</a> , <a href="mailto:Chinmayee.ghag@zastriya.in">Chinmayee.ghag@zastriya.in</a>	<b>M/s Kumbhat &amp; Company</b> 606, 6 <sup>th</sup> floor, Corporate Avenue Sonawala X road, Goregaon (E) Mumbai, Maharashtra, India <b>Tel No:-</b> 022 40146878 <b>Email id:</b> <a href="mailto:gaurang@kumbhatco.in">gaurang@kumbhatco.in</a> <b>Contact person:</b> Gaurang C. Unadkat <b>Firm Registration No:</b> 0016095 <b>Peer review no:</b> 012509
<b>BANKER TO OUR COMPANY</b>	<b>BANKERS TO THE ISSUE/PUBLIC ISSUE BANK/ ESCROW COLLECTION BANK AND REFUND BANKER</b>
<b>Kotak Mahindra Bank Limited</b> <b>Address:</b> Ground floor, Shop No 8 & 9, Spire-2, Near Shital Park BRTS, 150ft Ring road, Rajkot, Gujarat-360001, India <b>Telephone:</b> +91 86559 22386 <b>Fax:</b> NA <b>E-mail:</b> <a href="mailto:Purvesh.ghia@kotak.com">Purvesh.ghia@kotak.com</a> <b>Website:</b> <a href="http://www.kotak.com">www.kotak.com</a> <b>Contact Person:</b> Purvesh Ghia <b>CIN:</b> L65110MH1985PLC038137	[●] Address: [●] Telephone: [●] Fax: [●] E-mail: [●] Website: [●] Contact Person: [●] SEBI Cert Registration No: [●] CIN: [●]
<b>SPONSOR BANK</b>	<b>SYNDICATE MEMBER</b>
[●] Address: [●] Telephone: [●] Fax: [●] E-mail: [●] Website: [●] Contact Person: [●] SEBI Cert Registration No: [●] CIN No.: [●]	[●] Address: [●] Telephone: [●] Fax: [●] E-mail: [●] Website: [●] Contact Person: [●] SEBI Cert Registration No: [●] CIN No.: [●]
<b>ADVISOR TO THE ISSUE</b>	
<b>Dhanesha Advisory LLP</b> <b>Address:</b> C-321, 215 Atrium, Near courtyard Marriott Hotel, Before J B Nagar Metro Station, Andheri (East), Mumbai, Maharashtra, 400093, India <b>Tel No.:</b> +91 9920992006/022 49603075 <b>Contact Person:</b> Pankaj Dhanesha <b>Email Id:</b> <a href="mailto:pankaj@dhaneshaadvisory.com">pankaj@dhaneshaadvisory.com</a>	

## INVESTOR GRIEVANCES

Investors may contact our Company Secretary and Compliance Officer and/ or the Registrar to the Issue and/ or the Book Running Lead Manager, in case of any pre-Issue or post-Issue related problems such as non-receipt of Intimation for Allotment, credit of allotted Equity Shares in the respective beneficiary account.

All grievances relating to the ASBA process including UPI may be addressed to the Registrar to the Issue, with a copy to the Designated Intermediary with whom the ASBA Form was submitted, giving full name of the sole or First Applicant, ASBA Form number, Applicant's DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of Application Form, address of Applicant, the name and address of the relevant Designated Intermediary, where the Application Form was submitted by the Applicant, ASBA Account number (for Applicants other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Application Amount was blocked or UPI



ID in case of RIIs bidding through the UPI mechanism. Further, the Applicant shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

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

## **STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Unistone Capital Private Limited is the sole Book Running Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required..

## **SELF CERTIFIED SYNDICATE BANKS (“SCSBS”) AND SYNDICATE SCSB BRANCHES**

The list of Designated Branches that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>. For more information on the Designated Branches collecting ASBA Forms, see the above-mentioned SEBI link.

Investors are requested to refer the list of branches of the SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

## **SELF-CERTIFIED SYNDICATE BANKS ELIGIBLE AS SPONSOR BANKS FOR UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

## **REGISTERED BROKERS**

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

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

## **REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at [www.nseindia.com](http://www.nseindia.com) as updated from time to time and on SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>

## **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at [www.nseindia.com](http://www.nseindia.com), as updated from time to time and SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18>; <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=4>

## **BROKERS TO THE ISSUE**

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

## **CREDIT RATING**

This being an Issue of Equity Shares, credit rating is not required.

## **IPO GRADING**

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

## **DEBENTURE TRUSTEES**

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

## **TRUSTEES**

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

## **MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹ 10,000.00 Lakhs and hence our Company has not appointed a monitoring agency for this issue.

However, as per the Regulation 18 (3) read with part C of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

## **APPRAISING ENTITY**

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

## **FILING OF DRAFT RED HERRING PROSPECTUS**

The Draft Red Herring Prospectus and Prospectus shall be filed with NSE situated at Exchange Plaza, C/1, G Block, Bandra-Kurla Complex, Bandra (East) - 400 051, Maharashtra, India

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, the copy of the Offer Document shall be furnished to the Board (SEBI) in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Offer Document will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC and copy of the Prospectus to be filed under 26 of the Companies Act, 2013 would be filed with the RoC and through the electric portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

## **BOOK BUILDING PROCESS**

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of the English national newspaper, all editions of the Hindi national newspaper and Gujarati edition of the Gujarat Regional newspaper [●], each with wide circulation, at least two working days prior to the Bid/ Issue Opening Date. The Issue Price shall be finalized after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

All Bidders (except Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Issue through UPI in the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion 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.

Each Bidder by submitting a Bid in Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLM to manage this Issue and procure Bids for this Issue. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Issue.

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

For further details, please refer to the chapters titled “*Issue Structure*” and “*Issue Procedure*” beginning on pages 210 and 214, respectively of this Draft Red Herring Prospectus.

## **ILLUSTRATION OF BOOK BUILDING PROCESS AND THE PRICE DISCOVERY PROCESS**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “*Issue Procedure*” on page 214 of this Draft Red Herring Prospectus.

## **EXPERTS OPINION**

Our Company has received written consent dated February 10, 2023 from the Statutory Auditors namely, Kumbhat & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “Expert” as

defined under Section 2(38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements dated February 03, 2023, and Statement of Tax Benefit dated February 10, 2023.

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

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

## UNDERWRITING

The Company and the Book Running Lead Manager to the issue hereby confirm that the issue is 100% Underwritten by [●] in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company and Underwriter – [●], the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Name, Address, Telephone, Fax, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten	Amount Underwritten (₹ in Lakh)	% of Total Issue Size Underwritten
[●]	[●]	[●]	[●]

*\*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.*

As per Regulation 260 of SEBI (ICDR) Regulations, the Book Running Lead Manager has agreed to underwrite to a minimum extent of [●]% of the Issue out of its own account. In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full. The above-mentioned Underwriter are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

## CHANGES IN AUDITORS DURING LAST THREE YEARS

Except as disclosed below, there has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Red Herring Prospectus

<b>Name of the</b>	M/s. Kumbhat &	M/s. D.R. Vadsola &	M/s. A Y & Company,
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<b>Auditor</b>	Company, Chartered Accountants	Associates, Chartered Accountants	Chartered Accountants
<b>FRN</b>	001609S	143878W	020829C
<b>Peer Review No.</b>	012509	--	013225
<b>Email ID</b>	<a href="mailto:gaurang@kumbhatco.in">gaurang@kumbhatco.in</a>	<a href="mailto:drvadsola@gmail.com">drvadsola@gmail.com</a>	<a href="mailto:info@aycompany.co.in">info@aycompany.co.in</a>
<b>Address</b>	606, 6 <sup>th</sup> floor, Corporate Avenue Sonawala X Road, Goregaon (E) Mumbai, Maharashtra, India	Office No. 406, Aalap-A, Limda Chowk, Subhash Road, Rajkot - 360001, Gujarat, India	404, Fourth Floor, ARG Corporate Park Ajmer Road, Gopal Bari, Jaipur – 302 006, Rajasthan, India
<b>Reason for Change</b>	Appointed to fill in casual vacancy	Pre-Occupation	Pre-Occupation

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Book Running Lead Manager has entered into Market Making Agreement dated [●] with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

<b>Name</b>	[●]
<b>Correspondence Address:</b>	[●]
<b>Tel No.:</b>	[●]
<b>E-mail:</b>	[●]
<b>Website:</b>	[●]
<b>Contact Person:</b>	[●]
<b>SEBI Registration No.:</b>	[●]

[●], will act as the market maker and has agreed to receive or deliver 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 in SEBI (ICDR) Regulations as amended from time to time.

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 the NSE and SEBI in this matter from time to time.

➤ *In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the NSE and SEBI regarding this matter from time to time.*

➤ *In terms of regulation 261(2) of SEBI ICDR Regulations 2018, The market maker or issuer, in consultation with the Book Running Lead Manager may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the National Stock Exchange of India Limited.*

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of EMERGE Platform of NSE (NSE Emerge) and SEBI from time to time.
3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of NSE from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
9. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
10. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
12. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.
13. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers

does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

14. **Risk containment measures and monitoring for Market Makers:** NSE SME Exchange will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
15. **Price Band and Spreads:** The trading shall take place in TFT segment for first 10 days of commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
16. **Punitive Action in case of default by Market Makers:** NSE Emerge Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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

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

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

On the first day of listing, there will be a pre-open session (call auction) and there after 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. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of the Draft Red Herring Prospectus and after giving effect to this Issue, is set forth below:

(₹ in Lakhs, except share data)

Sr. No.	Particulars	Aggregate nominal Value	Aggregate Value at Issue Price
A	<b>Authorized Share Capital</b> *50,00,000 Equity Shares having Face Value of ₹10 each	500.00	-
B	<b>Issued, Subscribed &amp; Paid-up Share Capital before the Issue</b> 29,33,333 Equity Shares having Face Value of ₹10 each fully paid up before the Issue.	293.33	-
C	<b>Present Issue in terms of the Draft Red Herring Prospectus</b> Issue of upto 14,40,000 Equity Shares having Face Value of ₹10 each at a price of ₹[●] per Equity Share.	[●]	[●]
	<b>Which Comprises</b>	[●]	[●]
I.	<b>Reservation for Market Maker portion</b> [●] Equity Shares of ₹10 each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
II.	<b>Net Issue to the Public</b> Net Issue to Public of [●] Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share to the Public	[●]	[●]
	<b>of which<sup>(2)</sup></b>	[●]	[●]
	[●] Equity Shares of ₹10 each at a price of ₹ [●] per Equity Share will be available for allocation to Retail Individual Investors.	[●]	[●]
	[●] Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation other than Retail Individual Investors	[●]	[●]
D	<b>Issued, Subscribed and Paid-up Equity Share capital after the Issue</b> [●] Equity Shares of ₹ 10 each	[●]	-
E	<b>Securities Premium Account</b> Before the Issue After the Issue		1.00 [●]**

\*Our company has approved resolution for increase of authorised shared capital through Extra Ordinary General Meeting dated January 02, 2023 and the same is yet to get approved by ROC.

<sup>(1)</sup>The Present Issue of upto 14,40,000 Equity Shares in terms of Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated December 08, 2023. and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on January 02, 2023.

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

\*\*The amount disclosed is prior to deduction of Issue expenses.

### Class of Shares

As on the date of Draft Red Herring Prospectus Our Company has only one class of share capital i.e. Equity Shares of ₹10 each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Draft Red Herring Prospectus.



## Details of changes in Authorized Share Capital of our Company:

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

- a. The initial Authorised share capital of our Company was ₹ 1.00 Lakh (Rupees One Lakh) divided into 10,000 (Ten Thousand) Equity Shares of ₹ 10/- each. This Authorised capital was increased to ₹ 400.00 Lakhs (Four hundred lakhs) divided into 40,00,000 (Forty Lakh) Equity Shares of ₹10/- each pursuant to a resolution passed by our Shareholders in their Extra-Ordinary General Meeting held on May 25, 2022.
- b. The Authorised capital was further increased to ₹ 500.00 lakhs (Rupees Five hundred lakhs) divided into 50,00,000 (Fifty lakhs) Equity shares of ₹ 10/- each pursuant to a resolution passed by our Shareholders in their Extra-Ordinary General Meeting held on January 02, 2023.

## Notes to Capital Structure

### 1. Equity Share Capital History of our Company:

- a. The history of the equity share capital and the securities premium account of our company are set out in the following table:-

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Share Capital (₹)
On Incorporation*	10,000	10	10	Cash	Subscription to MOA <sup>(i)</sup>	10,000	1,00,000
May 30, 2022 <sup>^</sup>	40,000	10	550	Cash	Right Issue <sup>(ii)</sup>	50,000	5,00,000
June 06, 2022 <sup>#</sup>	21,50,000	10	-	Other than Cash	Bonus Issue <sup>(iii)</sup>	22,00,000	2,20,00,000
January 05, 2023	7,33,333	10	-	Other than cash	Bonus issue <sup>(iv)</sup>	29,33,333	2,93,33,330

\* Shares were subscribed to Initial Subscriber to Memorandum of Association on June 30, 2021.

<sup>^</sup> Bonus issue of 21,50,000 equity shares in the ratio of 43:1 dated June 06, 2022 has been issued by Capitalization of Securities Premium of the Company.

<sup>#</sup> Bonus issue of 7,33,333 equity shares in the ratio of 1:3 dated January 05, 2023 has been issued by Capitalisation of Reserves & Surplus of the company.

All the above-mentioned shares are fully paid up since the date of allotment.

### Notes:

- i. Initial Subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of Face Value of ₹ 10/- each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Neel Narendrabhai Pujara	10,000
	<b>Total</b>	<b>10,000</b>

- ii. **Rights Issue of 40,000 Equity Shares of Face Value of ₹ 10/- each fully paid at Issue Price of ₹ 550/- in proportion of 4:1. The details of Equity Shares Offered, Received, Renounced and Subscribed by the Existing shareholders is as under:**

S. No.	Names of Person	Number of Shares Allotted
1.	Neel Narendrabhai Pujara	40,000
	<b>Total</b>	<b>40,000</b>

- iii. **Bonus allotment of 21,50,000 Equity Shares of Face Value of ₹ 10/- each fully paid in the ratio of 43:1 i.e., 43 Bonus Equity Shares for each equity share held:**

S. No.	Names of Person	Number of Shares Allotted
1.	Neel Narendrabhai Pujara	21,43,550
2.	Tulsi Neel Pujara	4,300
3.	Bharat Gokaldas Karia	430
4.	Daxa Hasmukhbhai Bhagdev	430
5.	Ekta Hasmukhbhai Bhagdev	430
6.	Hasmukhrai Bhagdev Narrottamdas	430
7.	Niraj Hasmukhbhai Bhagdev	430
	<b>Total</b>	<b>21,50,000</b>

- iv. **Bonus allotment of 7,33,333 Equity Shares of Face Value of ₹ 10/- each fully paid in the ratio of 1:3 i.e. 1 Bonus Equity Share for 3 Equity Shares held:**

S No	Name of Person	Number of shares allotted
1.	Neel Narendrabhai Pujara	7,31,131
2.	Tulsi Neel Pujara	1,467
3.	Bharat Gokaldas Karia	147
4.	Daxa Hasmukhbhai Bhagdev	147
5.	Ekta Hasmukhbhai Bhagdev	147
6.	Hasmukhrai Bhagdev Narrottamdas	147
7.	Niraj Hasmukhbhai Bhagdev	147
	<b>Total</b>	<b>7,33,333</b>

- b. As on the date of the Draft Red Herring Prospectus, our Company does not have any preference share capital.

## **2. Issue of Equity Shares for consideration other than cash**

Except as disclosed below, we have not issued any Equity Shares for consideration other than cash.

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
June 06, 2022	21,50,000	10	10	Other than Cash – Bonus Issue	Capitalization of Securities Premium	Neel Narendrabhai Pujara	21,43,550
						Tulsi Neel Pujara	4,300
						Bharat Gokaldas Karia	430
						Daxa Hasmukhbhai	430

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Bhagdev	
						Ekta Hasmukhbhai Bhagdev	430
						Hasmukhrai Narrottamdas Bhagdev	430
						Niraj Hasumkbhai Bhagdev	430
January 05, 2023	7,33,333	10.00	-	Other than Cash- Bonus Issue	Capitalisation of Reserves	Neel Narendrabhai Pujara	7,31,131
						Tulsi Neel Pujara	1,467
						Bharat Gokaldas Karia	147
						Daxa Hasmukhbhai Bhagdev	147
						Ekta Hasmukhbhai Bhagdev	147
						Hasmukhrai Narrottamdas Bhagdev	147
						Niraj Hasumkbhai Bhagdev	147

- We have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and relevant section of 230-234 of Companies Act 2013.
- As on the date of the Draft Red Herring Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
- The Issue Price shall be decided by our Company in consultation with the Book Running Lead Manager, except as disclosed below, we have not issued any Equity Shares at price below issue price within last one year from the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Whether part of Promoter Group	Allottees	No. of Shares Allotted
June	21,50,0	10.00	-	Bonus	Yes	Neel	21,43,550

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Whether part of Promoter Group	Allottees	No. of Shares Allotted
06, 2022	00			Issue		Narendrabhai Pujara	
					Yes	Tulsi Neel Pujara	4,300
					No	Bharat Gokaldas Karia	430
					Yes	Daxa Hasmukhbhai Bhagdev	430
					Yes	Ekta Hasmukhbhai Bhagdev	430
					Yes	Hasmukhrai Narrottamdas Bhagdev	430
					Yes	Niraj Hasumkbhai Bhagdev	430
January 05, 2023	7,33,333	10.00	-	Bonus issue	Yes	Neel Narendrabhai Pujara	7,31,131
					Yes	Tulsi Neel Pujara	1,467
					No	Bharat Gokaldas Karia	147
					Yes	Daxa Hasmukhbhai Bhagdev	147
					Yes	Ekta Hasmukhbhai Bhagdev	147
					Yes	Hasmukhrai Narrottamdas Bhagdev	147
					Yes	Niraj Hasumkbhai Bhagdev	147

## 7. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (LODR) Regulations, 2015, as on date of DRHP:

Category	Category of shareholders	No. of shareholders	No of fully paid up equity shares held	No of partly paid-up equity shares held	No of shares underlying depositary receipts	Total no of shares held	Shareholding as a % of total no of shares ( calculate as per SCRR, 1957) As a % of (A+B+C2)	No of voting rights held in each class of securities*			No of shares underlying outstanding convertible securities (including warrants)	Shareholding, as a % assuming full conversion of convertible securities ( as a % of diluted share capital) As a % of A+B+C2	No of locked in shares**		No of shares otherwise pledged or encumbered		No of equity shares held in dematerialised form
								No of voting rights		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)	
								Class Equity Shares of ₹ 10 each	Total								
I	II	III	IV	V	VI	VII=IV+ V+ VI	VIII	IX			X	XI =VII+ X	XII		XIII		XIV
(A)	Promoter & promoter Group	6	28,90,746	-	-	28,90,746	98.55	28,90,746	28,90,746	98.55	-	98.55	-	-	-		28,90,746
(B)	Public	1	42,587	-	-	42,587	1.45	42,587	42,587	1.45	-	1.45	-	-	-		42,587
I	Non Promoter Non Public	-		-	-	-	-	-	-	-	-	-	-	-	-		-
(CI)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
(C2)	Shares held by emp. trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
	Total	7	29,33,333	-	-	29,33,333	100	29,33,333	29,33,333	100	-	100	-	-	-		29,33,333

\*As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.

^ We have only one class of Equity Shares of face value of ₹ 10/- each

\*\*All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on Emerge Platform of National Stock Exchange of India Limited.

#In terms of regulation 230(1)(d) of SEBI ICDR Regulation 2018, all specified securities held by promoter and Public are in dematerialized form.

1. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of ₹ 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Neel Narendrabhai Pujara	28,47,531	97.07
	<b>Total</b>	<b>28,47,531</b>	<b>97.07</b>

2. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two year prior as on the date of this Draft Red Herring Prospectus are: Not Applicable as our company was incorporated on June 30, 2021.

3. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior as on the date of this Draft Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of ₹ 10 each)	% Shares held (% Pre Issue paid up Capital)
1.	Neel Narendrabhai Pujara	10,000	100.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>

4. The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior as on the date of this Draft Red Herring Prospectus are:

S. No.	Name	Shares Held (Face Value of ₹ 10 each)	% shares held (% Pre-Issue paid up Capital)
1.	Neel Narendrabhai Pujara	28,47,531	97.07
2.	Bharat Gokaldas Karia	42,587	1.45
	<b>Total</b>	<b>28,90,118</b>	<b>98.52</b>

5. Except as disclosed below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of the Draft Red Herring Prospectus by our Promoter or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- issue share capital of our Company.

S. No.	Name of Shareholders	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
1.	Neel Narendrabhai Pujara	May 30, 2022	Promoter & Managing Director	40,000	-	Right Issue
2	Neel Narendrabhai Pujara	June 06, 2022	Promoter & Managing Director	21,43,550	-	Bonus Issue
3.	Neel Narendrabhai Pujara	January 05, 2023	Promoter & Managing Director	7,31,131	-	Bonus Issue
4.	Neel Narendrabhai Pujara	January 31, 2023	Promoter & Managing Director	-	77,000	Transferred

**6. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:**

Name	Designation	No. of Equity Shares held
Neel Narendrabhai Pujara	Chairman & Managing Director	28,47,531
Tulsi Neel Pujara	Whole-Time Director & CFO	5,867
Hasmukhrai Bhagdev Narrottamdas	Non-Executive Director	587

**7. Capital Build up in respect of shareholding of our Promoter:**

As on date of the Draft Red Herring Prospectus, our promoter Neel Narendrabhai Pujara holds 28,47,531 Equity Shares constituting 97.07% of the issued, subscribed and paid-up Equity Share capital of our Company. None of the Equity Shares held by our Promoter are subject to any pledge.

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition / Transfer Price per Equity Share (₹)*	Pre-Issue Shareholding %	Post-Issue Shareholding %
<b>Neel Narendrabhai Pujara</b>						
June 30, 2021	On Incorporation	10,000	10	10.00	0.45	[●]
April 11, 2022	Transfer <sup>(i)</sup>	(100)	10	10.00	(0.00)	[●]
May 30, 2022	Right Issue	40,000	10	550.00	1.82	[●]
June 03, 2022	Transfer <sup>(ii)</sup>	(50)	10	10.00	(0.00)	[●]
June 06, 2022	Bonus Issue	21,43,550	10	-	97.43	[●]
January 05, 2023	Bonus Issue	7,31,131	10	-	99.70	[●]
January 31, 2023	Transfer <sup>(iii)</sup>	(42,000)	10	15	97.07	[●]
January 31, 2023	Transfer <sup>(iii)</sup>	(35,000)	10	-	97.07	[●]
<b>Total</b>		<b>28,47,531</b>			<b>97.07</b>	<b>[●]</b>

**i. Details of Transfer of Share by Neel Narendrabhai Pujara dated April 11, 2022**

S. No.	Date of Transfer	Name of Transferor	No. of shares of Transfer	Name of Transferee
1.	April 11, 2022	Neel Narendrabhai Pujara	100	Tulsi Neel Pujara

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
Total			100	

ii. Details of Transfer of Share by Neel Narendrabhai Pujara dated June 03, 2022

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	June 03, 2022	Neel Narendrabhai Pujara	10	Bharat Gokaldas Karia
2.	June 03, 2022	Neel Narendrabhai Pujara	10	Daxa Hasmukhbhai Bhagdev
3.	June 03, 2022	Neel Narendrabhai Pujara	10	Ekta Hasmukhbhai Bhagdev
4.	June 03, 2022	Neel Narendrabhai Pujara	10	Hasmukhrai Narrottamdas Bhagdev
5.	June 03, 2022	Neel Narendrabhai Pujara	10	Niraj Hasumkbhai Bhagdev
Total			50	

iii. Details of Transfer of share by Neel Narendrabhai Pujara dated January 31, 2023

S. No.	Date of Transfer	Name of Transferor	No. of shares Transfer	Name of Transferee
1.	January 31, 2023	Neel Narendrabhai Pujara	17,500*	Daxa Hasmukhbhai Bhagdev
2.	January 31, 2023	Neel Narendrabhai Pujara	17,500*	Niraj Hasumkbhai Bhagdev
3.	January 31, 2023	Neel Narendrabhai Pujara	42,000	Bharat Gokaldas Karia
Total			77,000	

\*Transferred by way of gift

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

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In ₹)*
Neel Narendrabhai Pujara	28,47,531	7.54

# As certified by Kumbhat & Co., Chartered Accountants by way of their certificate dated February 10, 2023.

\* The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire or received through bonus issue, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the Draft Red Herring Prospectus.

9. Except as provided below there are no Equity Shares purchased/acquired or sold by our Promoter, Promoter Group and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

Date of Transaction	Number of Equity Shares Allotted/ Acquired/Sold	Face Value (₹)	Issue Price/ Acquired Price (₹)*	Nature	Nature of Consideration	Name of the Allottees/ Transferor/transferee	Category
January 05, 2023	7,31,131	10	-	Bonus Issue	Other than cash	Neel Narendrabhai Pujara	MD & Promoter
January 05, 2023	5,867	10	-	Bonus Issue	Other than cash	Tulsi Neel Pujara	WTD &



Date of Transaction	Number of Equity Shares Allotted/Acquired/Sold	Face Value (₹)	Issue Price/Acquired Price (₹)*	Nature	Nature of Consideration	Name of the Allottees/Transferor/transferee	Category
							Promoter Group
January 05, 2023	587	10	-	Bonus Issue	Other than cash	Hasmukhbhai Bhagdev	Non-Executive Director & Promoter Group
	587	10	-	Bonus Issue		Daxa Hasmukhbhai Bhagdev	Promoter Group
	587	10	-	Bonus Issue		Ekta Hasmukhbhai Bhagdev	Promoter Group
	587	10	-	Bonus Issue		Niraj Hasmukhbhai Bhagdev	Promoter Group
January 31, 2023	(42,000)	10	15	Transfer to Bharat Gokaldas Karia	Cash	Neel Narendrabhai Pujara	MD & Promoter
	(17,500)	10	-	Transfer to Daxa Hasmukhbhai Bhagdev	-	Neel Narendrabhai Pujara	MD & Promoter
	(17,500)	10	-	Transfer to Niraj Hasmukhbhai Bhagdev	-	Neel Narendrabhai Pujara	MD & Promoter
	42,000	10	15	Transferred from Neel Narendrabhai Pujara	Cash	Bharat Gokaldas Karia	Public
	17,500	10	-	Transferred from Neel Narendrabhai Pujara	-	Daxa Hasmukhbhai Bhagdev	Promoter Group

Date of Transaction	Number of Equity Shares Allotted/ Acquired/Sold	Face Value (₹)	Issue Price/ Acquired Price (₹)*	Nature	Nature of Consideration	Name of the Allottees/ Transferor/transferee	Category
				by way of Gift			
	17,500	10	-	Transferred from Neel Narendrabhai Pujara by way of Gift	-	Niraj Hasmukhbhai Bhagdev	Promoter Group

\*The maximum and minimum price at which the aforesaid transaction was made is ₹550 and Nil, per Equity Share.

**10. Details of the Pre and Post Issue Shareholding of our Promoter and Promoter Group as on the date of the Draft Red Herring Prospectus is as below: -**

S. No	Names	Pre-Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoter</b>				
1.	Neel Narendrabhai Pujara	28,47,531	97.07	[●]	[●]
	<b>TOTAL (A)</b>	<b>28,47,531</b>	<b>97.07</b>	<b>[●]</b>	<b>[●]</b>
	<b>Promoter Group</b>				
1.	Tulsi Neel Pujara	5,867	0.20	[●]	[●]
2.	Daxa Hasmukhbhai Bhagdev	18,087	0.62	[●]	[●]
3.	Ekta Hasmukhbhai Bhagdev	587	0.02	[●]	[●]
4.	Hasmukhrai Narrottamdas Bhagdev	587	0.02	[●]	[●]
5.	Niraj Hasumkbhai Bhagdev	18,087	0.62	[●]	[●]
	<b>TOTAL (B)</b>	<b>43,215</b>	<b>1.48</b>	<b>[●]</b>	<b>[●]</b>
	<b>GRAND TOTAL (A+B)</b>	<b>28,90,746</b>	<b>98.55</b>	<b>[●]</b>	<b>[●]</b>

**11. Details of Promoter's Contribution locked in for three years:**

Name of Promoter	No. of Equity shares Locked-in	Post-Issue equity share capital %
Neel Narendrabhai Pujara	[●]	[●]
<b>Total</b>	<b>[●]</b>	<b>[●]</b>

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoter Contribution as per Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 236 of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

No Equity Shares proposed to be locked-in as Minimum Promoter Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-Issue shareholding of the Promoter, other than the Minimum Promoter contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Our Promoter, Neel Narendra Pujara has, by a written undertaking, consented to have [●] Equity Shares held by him to be locked in as Minimum Promoter Contribution for a period of three years from the date of allotment in this Issue and will not be disposed/sold/transferred by the promoter during the period starting from the date of filing this Draft Red Herring Prospectus with SME Platform of NSE till the date of commencement of lock-in period as stated in this Draft Red Herring Prospectus. The Equity Shares under the Promoter contribution will constitute [●] of our post-Issue paid up share capital.

Our Promoter has also consented that the Promoters' contribution under Regulation 236 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

**Eligibility of Share for “Minimum Promoters’ Contribution in terms of clauses of Regulation 237 of SEBI (ICDR) Regulations, 2018**

<b>Reg. No.</b>	<b>Promoters’ Minimum Contribution Conditions</b>	<b>Eligibility Status of Equity Shares forming part of Promoter’s Contribution</b>
237 (1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter’s contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <b><u>Hence Eligible</u></b>
237 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters’ contribution	The minimum Promoter’s contribution does not consist of such Equity Shares. <b><u>Hence Eligible</u></b>
237 (1) (b)	Specified securities acquired by the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer.	The minimum Promoter’s contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>
237 (1) (c)	Specified securities allotted to the promoters and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them	The minimum Promoter’s contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
	during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management	
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible.</u></b>

### Details of Share Capital Locked in For One Year

In terms of Regulation 236 and 237 of the SEBI ICDR Regulations, in addition to the Minimum Promoters' contribution which is locked in for 3 (three) years, as specified above, the entire pre-issue equity share capital held by promoter and entire pre-issue capital held by persons other than promoters of our Company i.e. Promoter Group members 43,215 Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.

The Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

### Other requirements in respect of lock-in:

- a. In terms of Regulation 242 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- b. 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 36 or 37 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 SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

12. None of our Promoter, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.
13. Neither, we nor our Promoter, Directors and the Book Running Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
14. As on the date of filing of the Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoter or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.
15. As on the date of the Draft Red Herring Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
16. Our Company has not raised any bridge loan against the proceeds of the Issue.
17. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
18. As on the date of the Draft Red Herring Prospectus, none of the shares held by our Promoter / Promoter Group are subject to any pledge.
19. The Book Running Lead Manager and their associates do not hold any Equity Shares in our Company as on the date of filing of the Draft Red Herring Prospectus.
20. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares Issued have been listed or application moneys refunded on account of failure of Issue.
21. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments
22. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
23. An over-subscription to the extent of 10% of the Net 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 Net Issue. In such an event, the Equity Shares held by the Promoter is used for allotment and lock- in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
24. 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 i.e. NSE. Such inter-se spill

over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

25. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
26. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
27. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
28. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
29. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
30. As on the date of the Draft Red Herring Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
31. There are no Equity Shares against which depository receipts have been issued.
32. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Draft Red Herring Prospectus.
33. We have 7 (Seven) Shareholders as on the date of filing of the Draft Red Herring Prospectus.
34. There are no safety net arrangements for this Public Issue.
35. Our Promoter and Promoter Group will not participate in this Issue.
36. This Issue is being made through Fixed Price method.
37. Except as disclosed in the Draft Red Herring Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Draft Red Herring Prospectus.
38. No person connected with the Issue shall issue any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
39. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of registering the Draft Red Herring Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchange within 24 hours of such transactions being completed.

## OBJECT OF THE ISSUE

The issue comprises of fresh issue of up to 14,40,000 equity shares of our company at an issue price of ₹ [●] per equity share. We intend to utilize the proceeds of the issue to meet the following objects:

1. To meet the working capital requirement;
2. General corporate purpose; and
3. To meet the issue expenses

*(Collectively referred 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 brand name. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Issue.

### Net Proceeds

The details of the Net Proceeds are set forth below:

*(₹ in lakhs)*

Particulars	Amount
Gross proceeds of the issue	[●]
Less: issue related expenses	[●]
<b>Net proceeds</b>	<b>[●]</b>

### Requirement of Funds and utilization of Net Proceeds

The Net Proceeds are proposed to be utilised and are currently expected to be deployed in accordance with the schedule set forth below:

*(₹ in lakhs)*

Particulars	Total estimated cost	Amount to be financed from proceeds	Estimated utilisation of Net proceeds	
			FY 2024	FY 2025
To Meet Working Capital Requirement	700.00	700.00	150.00	550.00
General Corporate Expenses*	[●]	[●]	[●]	[●]
Issue expenses	[●]	[●]	[●]	[●]
<b>Total</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* Amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the issue

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with vendors, variation in cost estimates on account of factors, and other external factors such as changes in the business environment and interest or exchange rate fluctuations, 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 laws.

In the event that the estimated utilization of the Net Proceeds in a scheduled financial year is not completely met, due to the reasons stated above, the same shall be utilised in the next financial year, as may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Net Proceeds in accordance with the SEBI ICDR Regulations.

### **Means of finance**

Since the entire fund requirement of ₹ [●] lakhs will be met from the Net Proceeds hence, no amount is proposed to be raised through any other means of finance. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VI and Regulation 230 (1)(e) of the SEBI ICDR Regulations which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

### **Details of the Objects of the Issue**

#### ***1. To meet the working capital requirements***

Our Company proposes to utilise ₹ 700.00 lakhs towards funding its working capital requirements in the ordinary course of business. We have significant working capital requirements, and in the ordinary course of business we fund our working capital needs through internal accruals and availing financing facilities. Our Company, in order to support its incremental business requirements, funding growth opportunities and for other strategic, business, and corporate purposes requires additional working capital and such funding is expected to lead to a consequent increase in our revenues and profitability

### **Basis of estimation, assumptions and justification of working capital requirements**

The estimates of the working capital requirements for the financial years ending on March 31, 2024, and March 31, 2025, have been prepared based on the management estimates of future financial performance. The projection has been prepared using a set of assumptions that include assumptions about future events and management's actions that are not necessarily expected to occur. On the basis of existing and estimated working capital requirement of our Company on standalone basis, and assumptions for such working capital requirements, our Board pursuant through its resolution dated February 10, 2023 has approved the projected working capital requirements for financial years 2024 and 2025 and the proposed funding of such working capital requirements as set forth below:

(₹ In Lakhs)

<b>Particulars</b>	<b>For the year ended March 31, 2022 (Audited)</b>	<b>For the period ended December 31, 2022 (Audited)</b>	<b>For the year ended March 31, 2024 (Estimated)</b>	<b>For the year ended March 31, 2025 (Estimated)</b>
<b><i>Current Assets</i></b>				
Inventories	105.53	257.62	234.91	264.67



Particulars	For the year ended March 31, 2022 (Audited)	For the period ended December 31, 2022 (Audited)	For the year ended March 31, 2024 (Estimated)	For the year ended March 31, 2025 (Estimated)
Trade Receivables	15.59	93.03	156.61	183.23
Cash and Bank Balance	24.75	54.86	58.73	76.35
Short Term Advances	0.00	0.00	0.00	-
Other Current Assets	43.59	131.95	250.57	285.03
<b>Total Current Assets (A)</b>	<b>189.46</b>	<b>537.46</b>	<b>700.82</b>	<b>809.27</b>
<b>Current Liabilities</b>				
Trade Payables	131.83	63.23	127.48	146.59
Other Current Liabilities	24.07	30.25	78.30	101.80
Short Term Provisions	-	-	3.00	4.50
<b>Total Current Liabilities (B)</b>	<b>155.90</b>	<b>93.48</b>	<b>208.78</b>	<b>252.88</b>
<b>Net Working Capital (A-B)</b>	<b>33.56</b>	<b>443.98</b>	<b>492.04</b>	<b>556.39</b>
<b>Source of funds</b>				
Borrowings and internal accruals	33.56	443.98	42.04	306.39
Issue proceeds			450.00	250.00

\* Pursuant to certificate issued by our Statutory & Peer Review Auditor M/s Kumbhat & Co., Chartered Accountants dated February 10, 2023 having UDIN no. 23131708BGWGQQ4672

### Assumptions

Particulars	As at March 31,		
	2022 (Restated days)	2024 (Projected days)	2025 (Projected days)
Trade receivables	8	37	33
Inventories	63	74	66
Trade payables	79	40	37

### Justification:

Particulars	Justification
Trade Receivables	We estimate our trade receivables days to increase in FY 2024 to 37 days and FY 2025 to 33 days due to increase in sales
Trade payables	We estimate our trade payables days to decrease in FY 2024 to 40 days and FY 2025 to 37 days as we expect to receive early collection from our customers
Inventories	We estimate our inventory days to be 74 days in FY 2024 and 66 days in FY 2025 as we estimate to maintain our inventories as per our production level

## 2. General Corporate Purposes

We will have flexibility in utilizing the balance net proceeds, for general corporate purposes, subject to such utilisation not exceeding 25% of the gross proceeds from the issue, in accordance with SEBI ICDR Regulations, including but not restricted towards part or full prepayment / repayment of our borrowings, capital expenditure, strategic initiatives, initiatives, funding growth opportunities, including acquisitions and meeting exigencies, brand building, meeting expenses incurred by our Company and strengthening of our manufacturing capabilities, as may be applicable. The quantum of utilisation of funds toward the aforementioned purposes will be determined by our Board based on the amount actually available under the head “General Corporate Purposes” and the corporate requirements of our Company.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular Object i.e., the utilization of Net Proceeds.

### 3. Public Issue Expenses

The break-up for the estimated issue expenses are as set forth below:

Activity Expense	Amount (₹ in Lakhs) <sup>1</sup>	Percentage of total estimated issue expenses <sup>1</sup>	Percentage of Issue Size <sup>1</sup>
Issue relating expenses such as fees to Book Running Lead manager Fixed Fee, Registrar to the Issue Legal Advisors, Auditors, Paper Advertisements and other expenses incurred/ to be incurred including promotional expenses	[●]	[●]	[●]
Underwriting commission, brokerage and selling commission (including Commission/ processing fees for SCSBs, Sponsor Bank, Members of the Syndicate, Registered Brokers, RTAs and CDPs <sup>(2)(3)</sup> )	[●]	[●]	[●]
Listing fees, Stock Exchange processing/ listing fees, software fees, Depositories' fees, other regulatory expenses and sundry expenses.	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

Notes:

1. The fund deployed out of internal accruals up to February 10, 2023 is ₹ 2.5 lakhs towards issue expenses pursuant to certificate issued by our Statutory and Peer Reviewed Auditors M/s Kumbhat & Co., Chartered Accountants dated February 10, 2023.
2. Includes Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non – Institutional Applicants, would be [●] % on the allotment amount on the application wherein shares are allotted.
3. Includes commission/Processing fees of ₹ [●] per valid application forms for SCSBs. In case the total processing fees payable to SCSBs exceeds ₹ [●] lakh, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total Processing Fees payable does not exceed ₹ [●] lakh.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The processing fees for applications made by UPI 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/2021/570 dated June 2, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated 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 Net Proceeds**

The Net Proceeds pending utilisation for the purposes stated in this section, shall be deposited only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, 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 Financing Facilities**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

### **Monitoring Utilization of Funds**

As the size of the Issue will not exceed ₹ 10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the issue without our Company being authorized to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

### **Other confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, our Directors, our Key Management Personnel or our Group Company. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoter, Promoter Group, our Directors, our Key Management Personnel.

## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “*Risk Factors*”, the details about our Company under the section titled “*Our Business*” and its financial statements under the section titled “*Restated Financial Information*” beginning on page 28, 104 and 145 respectively of this Draft Red Herring Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price has been determined by the Company in consultation with the BRLM on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹10 and Issue Price is [●] which is [●] times of the face value.

## QUALITATIVE FACTORS

- a) A portfolio as diverse as the market we serve.
- b) Built on trust and a proven track record with clients.
- c) Innovative packaging, elevating our products above the rest.
- d) Quality assurance at the forefront of everything we do.
- e) Led by a promoter and management team with a wealth of experience.

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “*Our Business*” beginning on page 104 of this Draft Red Herring Prospectus.

## QUANTITATIVE FACTORS

Information presented below is derived from our Company’s Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

### 1. Basic and Diluted Earnings Per Share (EPS):

For the period ended	Basic & Diluted EPS (in ₹)
March 31, 2022 <sup>(a)</sup>	1.71
December 31, 2022 <sup>(a)</sup>	2.72

*\*Source: Restated Financial Statements*

*(a) The Basic and Diluted EPS for period ended March 2022 and December 2022 has not been annualized.*

*The Company does not have any diluted potential Equity Shares. Consequently, the basic and diluted profit/earning per share of the company remain the same.*

### **Note:**

*Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.*

- *Basic and Diluted Earnings per share =*  
*Restated Profit Attributable to Equity Shareholders from continuing operations*  
*Equivalent Weighted Average number of Equity Shares at the end of the period*
- *The face value of each Equity Share is ₹10.*

- The figures disclosed above are based on the Restated Financial Information of our Company.

## 2. Price/Earning (P/E) ratio in relation to Issue Price of ₹ [●]/-

Particulars	P/E at the lower end of the price band	P/E at the upper end of the price band
P/E ratio based on Basic EPS for Financial period 2022	[●]*	[●]*
P/E ratio based on Diluted EPS for Financial period 2022	[●]*	[●]*
Industry peer P/E Ratio	3.44	

\*To be computed after finalization of the Price Band

Notes:

- The industry peer (Annapurna Swadisht Limited) P/E ratio mentioned above is for the financial year ended March 31, 2022.
- All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Fiscal 2022, as available on the websites of the Stock Exchange.

## 3. Return on Net Worth (RONW)

For the period ended	Return on Net Worth (RONW) (%)
March 31, 2022 <sup>(a)</sup>	98.02
December 31, 2022 <sup>(a)</sup>	22.76

\*Source: Restated Financial Statements

(a) The return on net worth for period ended March 2022 and December 2022 has not been annualized.

Note:

- The RONW has been computed using the below formula  

$$\frac{\text{Restated Profit Attributable to Equity Shareholders from continuing operations} \times 100}{\text{Restated Net worth for the period.}}$$

## 4. Net Asset value (NAV) per Equity Share

Particulars	Amount (₹)
Net Asset Value per Equity Share as of December 31, 2022	11.96
Net Asset Value per Equity Share as of March 31, 2022	1.74
Issue Price per Equity Share	[●]
Net Asset Value per Equity Share after the Offer	[●]

Note:

- Net Asset Value per Equity Share has been calculated as net worth divided weighted average number of Equity Shares at the end of the period
- Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.

## 5. Comparison of Accounting ratios with Peer Group Companies

As on the date of this Draft Red Herring Prospectus, there is only one comparable peer (Annapurna Swadisht Limited) which is listed company in India but since our financial for period ended on March 31, 2022 is only for nine months it's not possible to do a fair comparison with the peer since the comparable data for the same period of peer company is not available in the public domain.

Based on the above qualitative and quantitative parameters, the Company in consultation with the Book Running Lead Manager believes that the Issue price of ₹ [●] per share for the Public Issue is justified. The investors may also want to peruse the Risk Factors and restated Financials of the company including important profitability and return ratios, as set out in the section titled Financial Information included in this Draft Red Herring Prospectus to a have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹10 per share and the Issue Price is [●] times of the face value. i.e. ₹ [●] per share.

## STATEMENT OF TAX BENEFITS

To  
**The Board of Directors**  
**Jay Kailash Namkeen Limited**  
Shed No.A-1/5  
Ajivashahat GIDC, Road-C  
Rajkot.

Dear Sir(s):

**Sub: Proposed initial public offering of equity shares of Jay Kailash Namkeen Limited (“the Company”)**

We refer to proposed issue of the shares Jay Kailash Namkeen Limited (‘the Company’). We enclose herewith the statement showing the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 (‘Act’), as applicable to the assessment year 2023-24 relevant to the financial year 2022-23 for inclusion in the Draft Red herring Prospectus for the proposed issue of shares.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide 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 their own tax consultant with respect to specific tax implications arising out of participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

- the Company or its shareholders will continue to obtain these benefits in future;
- the conditions prescribed for availing the benefits, where applicable have been/would be met;
- the revenue authorizes/courts will concur with the views expressed herein.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company, the Shareholders in the DRHP for the proposed initial public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India (“SEBI”); the Emerge platform of National Stock Exchange of India Limited (the “Stock Exchanges”) where the equity shares of the Company are proposed to be listed, as applicable, and to Registrar of Companies, Ahmedabad, provided that the below statement of limitation is included in the DRHP.

**For KUMBHAT & CO.**

Chartered Accountants  
Firm Regn. No. 001609S

**Sd/-**

Gaurang C. Unadkat  
Partner

Place: Mumbai  
Dated: February 10, 2023

Mem.No. 131708  
UDIN: 23131708BGWGGQ4030

## **ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO JAYKAILASH NAMKEEN LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the direct tax laws in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

### **I Special Tax Benefits available to the Company**

#### **1. Lower corporate tax rate under Section 115BAA of the Act:**

- 1.1 As per Section 115BAA of the Act, with effect from Financial Year 2019-20 [i.e. Assessment Year (‘AY’) 2020 21], a domestic company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and cess) subject to satisfaction of certain conditions.
- 1.2 In case a company opts for Section 115BAA of the Act, provisions of MAT under Section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available.
- 1.3 The option needs to be exercised on or before the due date of filing the tax return by filing Form 10-IC on income tax e-filing. Once the option has been exercised for any previous year, it cannot be subsequently withdrawn for the same or any other previous year.
- 1.4 The Company has opted for the provisions of Section 115BAA of the Act for AY 2020-21 onwards and hence, the beneficial tax rate of 22% (plus surcharge of 10% and education cess of 4%) is applicable.

#### **2. Deduction under Section 35D of the Act:**

The Company is eligible for amortization of preliminary expenses being the expenditure on public issue of shares under Section 35D(2)(c)(iv) of the Act, subject to the limit specified in Section 35D(3) of the Act.

#### **3. Deduction under Section 80M of the Act:**

As per the provisions of Section 80M of the Act, dividend received by a company from any other domestic company or specified business Trusts shall be eligible for deduction while computing its total income for the relevant year.

The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its tax return for the relevant year.

Since the Company has investments in India, it can avail the above-mentioned benefit under Section 80M of the Act subject to conditions specified therein.

#### **4. Deduction under Section 80JJAA of the Act, in respect of employment of new employees**

Subject to the fulfillment of prescribed conditions as provided in Section, the Company is entitled to claim deduction of an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for



three assessment years including the assessment year relevant to the previous year in which such employment is provided under Section 80JJAA of the Act.

## **II Special Tax Benefits available to the shareholders of the Company**

### **5. Taxability of dividend income:**

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. The maximum surcharge applicable to shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person would be 15% (plus applicable surcharge and education cess), irrespective of the amount of dividend.

Further, the shareholders would be entitled to take credit of the Tax Deducted at Source by the Company against the taxes payable by them on dividend income.

The resident shareholder (being domestic company) shall be eligible for deduction under Section 80M of the Act as provided in Para 3.

### **Taxability of Capital gains:**

#### **6. Classification of capital gains**

6.1 Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. Equity Shares listed on a recognized stock exchange in India held by an assessee for more than 12 months, immediately preceding the date of transfer, are considered to be long-term capital assets. Capital gains arising from the transfer of such long-term capital assets are termed as Long-Term Capital Gains.

6.2 Short Term Capital Gains means capital gains arising from the transfer of equity shares listed on a recognized stock exchange in India held for 12 months or less, immediately preceding the date of transfer.

#### **7. Computation of Capital Gain**

7.1. As per Section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

- Cost of acquisition/ improvement of the shares as adjusted by the cost inflation index notified by the Central Government depending upon the nature of capital assets; and
- Expenditure incurred wholly and exclusively in connection with the transfer of shares

#### **8. Tax rates on Capital gains:**

8.1 As per Section 111A of the Act, short term capital gains arising to the resident shareholder from the sale of equity share or a unit of an equity-oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess). Other short term capital gains shall be taxable at per normal tax rates applicable.

8.2 As per Section 112A of the Act, the long-term capital gains arising from sale of listed equity share, or a unit of an equity-oriented fund or a unit of a business trust (where STT is paid) exceeding INR 1,00,000 shall be chargeable to tax at the rate of 10% (plus applicable surcharge and education cess). Further, as per Section 112 of the Act, other listed securities, units or a zero-coupon bonds shall be taxable either 20% after taking benefit of indexation or

10% without taking benefit of indexation whichever is more beneficial to the company. Other long term capital gains shall be taxable at 20% after taking benefit of indexation benefit.

- 8.3 Summary of tax rate applicable to the resident shareholder on capital gains is provided below:

Nature of Capital Asset	Long term Rate*	Short term Rate*
Listed equity share, or a unit of an equity oriented fund or a unit of a business trust (STT paid)	10% in excess of INR 100,000	15%
Listed securities, units or a zero coupon bonds (STT paid or not)	20% after taking benefit of indexation; or 10% without taking benefit of indexation.	Applicable Rates
Others	20% after taking benefit of indexation;	Applicable Rates

## 9. Exemption of Capital Gain

- 9.1 As per Section 54EC of the Act and subject to the conditions specified therein, arising on transfer of a long-term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money.
- 9.2 Section 54EE of the Act exempts long-term capital gains on transfer of shares if the gains up to Rs. 50 Lakhs are invested in “long term specified assets” (i.e., units of notified fund) within six months from the date of transfer. The investment in long term specified assets should be held for 3 years.
- 9.3 As per section 54F of the Act, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) shall be exempt from capital gains tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years subject to additional conditions provided in Section 54F of the Act. If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

## 10. Carry forward and set off of capital gain losses

As per section 74 of the Act, short-term capital losses incurred during the year are allowed to be set-off against short-term or long-term capital gains of the said year. Balance short-term capital losses, if any may be carried forward for eight years for claiming set-off against subsequent years’ short-term or long-term capital gains. Long-term capital losses incurred during the year are allowed to be set-off only against long-term capital gains. Balance loss, if any, may be carried forward for eight years for claiming set-off against subsequent year’s long-term capital gains.

### **III BENEFITS AVAILABLE TO NON-RESIDENT INDIANS/NON-RESIDENT SHAREHOLDERS (OTHER THAN FIIS AND VENTURE CAPITAL COMPANIES / FUNDS)**

Same as implications for resident shareholders subject to the additional points mentioned below.

#### **11. Taxability of Capital gains:**

- 11.1 As per first proviso to Section 48 of the Act, in case of a non-resident shareholder, in computing capital gains arising from transfer of shares of the Company acquired in convertible foreign exchange (as per Exchange Control Regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which original investment was made. Cost Indexation benefits will not be available in such a case. The capital gain / loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was utilized in the purchase of shares.
- 11.2 Long-term capital gains arising from the transfer of unlisted securities shall be taxable at the rate of 10% (plus applicable surcharge and education cess) without providing indexation benefit.
- 11.3 Chapter XII-A of the Income Tax Act was inserted by Finance Act 1983 with an object to provide concessional rate of taxation to encourage them to invest their foreign exchange earnings in assets and source of Income in India. It deals with the situations where the gross total income of non-residents includes income from investment or income by way of long-term capital gain or both. The following sections are covered under this chapter:
- 11.4 Section 115D of the Act covers the situation or transaction in which this section can be invoked. It also says that no deduction in respect of any expenditure or allowance shall be allowed under any provision of this Act in computing the investment income of a non-resident Indian.
- 11.5 Section 115E of the Act is about rate of tax which is to be applied on the gross total income of a non-resident Indian when the total income includes any income from Investment or income from long term capital gain of an assets other than a specified assets; or income by way of long term capital gains, the tax payable by him shall be at the rate of 20% if the income is from Long Term Capital Assets other than a specified assets and at the rate of 10% if the income is by way of long term capital gain from specified assets (as per Section 115C of the Act, specified assets includes shares in an Indian company).
- 11.6 As per section 115F of the Act and subject to the conditions specified therein, in the case of a shareholder being a non-resident Indian, gains arising on transfer of a long-term capital asset being shares of the Company shall not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act then such gains would not be chargeable to tax on a proportionate basis. Further, if the specified asset or savings certificates in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long-term capital gains in the year in which such specified asset or savings certificates are transferred.

- 11.7 As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long-term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.
- 11.8 As per section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.
- 11.9 As per section 115I of the Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.
- 12. Taxability of dividend income:**  
s  
As per Section 115A of the Act, tax on dividend income earned by a non-resident or a foreign company shall be taxable at rate of 20% on gross basis.

**13. Provisions of the Act vis-à-vis provisions of the Tax Treaty**

In respect of non-residents, the tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

**IV BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTOR ('FII')**

As per section 2(14) of the Act, securities held by a FPI registered in accordance with the SEBI Regulations for FPIs would be in the nature of "capital asset". Consequently, the incomes arising to a FPI from transactions in securities are treated as capital gains.

As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities would be taxable as follows:

Nature	Tax rate (%)
LT CG on sale of equity shares referred to in Section 112A (Refer Note below)	10
LT CG on sale of equity shares (other than LT CG referred above)	10
ST CG on sale of equity shares referred to in Section 111A	15
ST CG on sale of equity shares (other than ST CG referred above)	30

As per section 196D of the Act, no deduction of tax shall be made from any income, by way of capital gains arising from the transfer of securities referred to in section 115AD, payable to foreign institutional investor.

Notes:

- (i) The benefits as per the current tax law as amended by the Finance Act, 2022.
- (ii) This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.
- (iii) Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR 10 crores.
- (iv) We note that if the Company opts for concessional income tax rate under section 115BAA of the Act. Accordingly, surcharge shall be levied at the rate of 10% irrespective of the amount of total income.
- (v) Health and Education Cess at the rate of 4% on the tax and surcharge is payable by all category of taxpayers.
- (vi) Business losses, arising during the year can be set off against the income under any other head of income, other than income under the head 'salaries'. Balance business loss can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of the IT Act, however, subject to section 115BAA of the Act.
- (vii) We note that the Company has opted for concessional tax rate under Section 115BAA of the Act and hence it will not be allowed to claim any of the following deductions:
  - Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
  - Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
  - Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
  - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
  - Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
  - Deduction under section 35CCD (Expenditure on skill development)
  - Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA and section 80M;
  - No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
  - No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above
- (viii) Further, it is also clarified in Section 115JB(5A) that if the Company opts for

concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT. Therefore, the MAT provisions are not applicable.

- (ix) The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis.

## **STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARIES, AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA**

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy (collectively referred to as “Indirect tax”).

- I. Benefits under the Central Goods and Services Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

### **1. Export of services under the Goods and Services Tax (‘GST’) law**

GST law inter-alia allows export of services at zero rate on fulfilment of certain conditions. Exporters can either export services without payment of IGST under Bond/ Letter of Undertaking (LUT) and claim refund of unutilized Input tax credit (‘ITC’) or export services with payment of IGST and subsequently claim refund thereof of the IGST paid as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017. The Finance Bill, 2021 however has inserted suitable provisions stating that the said benefit of exporters to pay IGST on exports and subsequently claiming refund thereof would be available only to notified persons, though the relevant notification in this regard is awaited. We understand that the Companies are following export of services without payment of GST under LUT.

### **2. Supply of services to SEZ units under the GST law**

Similarly, the GST law also considers supply to SEZ units as zero-rated supply whereby the person supplying the service has an option to supply services without payment of GST under Bond/ Letter of Undertaking and subsequently avail refund of unutilized ITC. We understand that the Companies are supplying services to SEZ units without payment of GST under LUT.

## **II. Special indirect tax benefits for shareholders of the Companies**

Shareholders of the Company are not eligible to special indirect tax benefits under the provisions of the CGST Act (read with CGST Rules, circulars, notifications), respective State GST Act, 2017 (read with respective State GST Rules, circulars, notifications), Integrated GST Act, 2017 (read with Integrated GST Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications) and Foreign Trade Policy.

## SECTION IV – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

### GLOBAL OUTLOOK

The global economy is experiencing a number of turbulent challenges. Inflation higher than seen in several decades, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Normalization of monetary and fiscal policies that delivered unprecedented support during the pandemic is cooling demand as policymakers aim to lower inflation back to target. But growing shares of economies are in a growth slowdown or outright contraction. The global economy's future health rests critically on the successful calibration of monetary policy, the course of the war in Ukraine, and the possibility of further pandemic-related supply-side disruptions, for example, in China

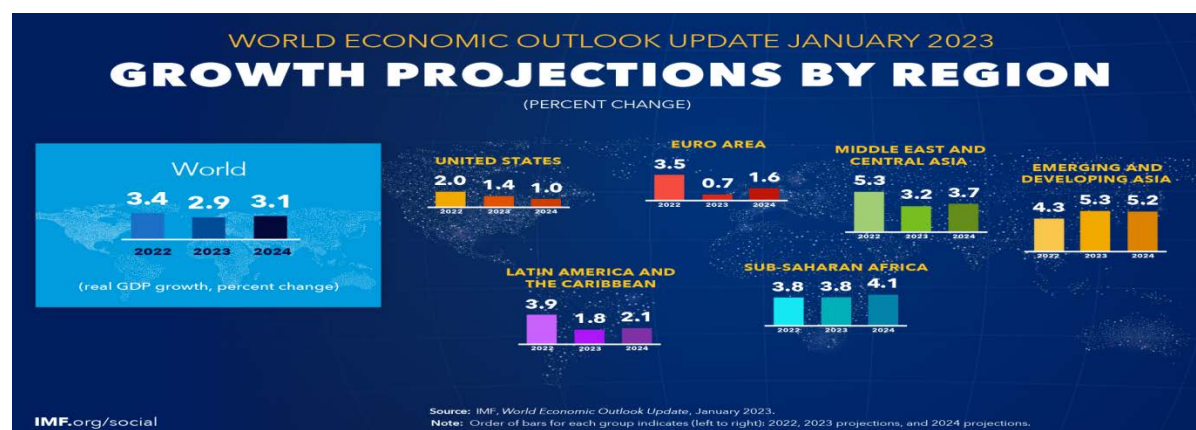
Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000–19) average of 3.8 percent. 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 are 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 costs 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 achieving 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. Stronger multilateral cooperation is essential to preserve the gains from the rules-based multilateral system and to mitigate climate change by limiting emissions and raising green investment.

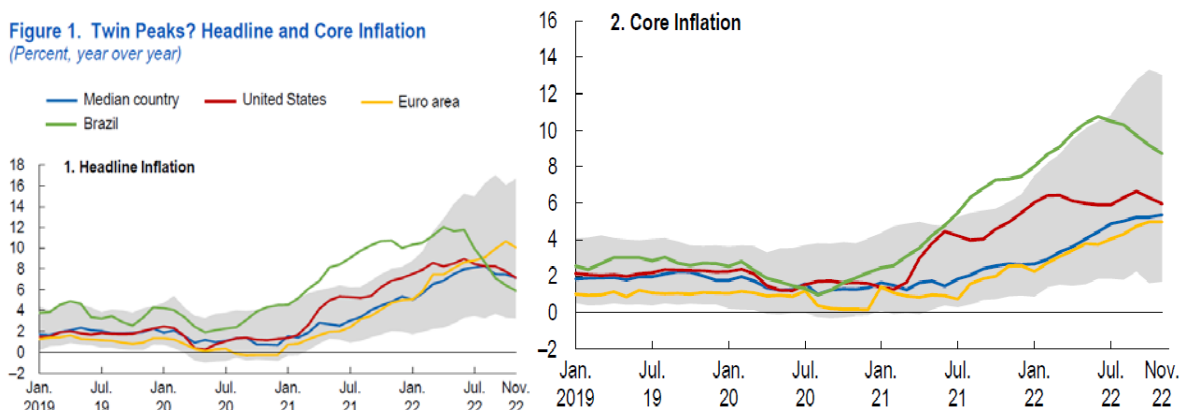


## FORCES SHAPING THE OUTLOOK

The global fight against inflation, Russia's war in Ukraine, and a resurgence of COVID-19 in China weighed on global economic activity in 2022, and the first two factors will continue to do so in 2023. COVID-19 deepens China's slowdown. Economic activity in China slowed in the fourth quarter amid multiple large COVID-19 outbreaks in Beijing and other densely populated localities. Renewed lockdowns accompanied the outbreaks until the relaxation of COVID-19 restrictions in November and December, which paved the way for a full reopening. Real estate investment continued to contract, and developer restructuring is proceeding slowly, amid the lingering property market crisis. Developers have yet to deliver on a large backlog of presold housing, and downward pressure is building on house prices (so far limited by home price floors). The authorities have responded with additional monetary and fiscal policy easing, new vaccination targets for the elderly, and steps to support the completion of unfinished real estate projects. However, consumer and business sentiment remained subdued in late 2022. China's slowdown has reduced global trade growth and international commodity prices.

**Monetary policy starts to bite.** Signs are apparent that monetary policy tightening is starting to cool demand and inflation, but the full impact is unlikely to be realized before 2024. Global headline inflation appears to have peaked in the third quarter of 2022 (Figure 1). Prices of fuel and nonfuel commodities have declined, lowering headline inflation, notably in the United States, the euro area, and Latin America. But underlying (core) inflation has not yet peaked in most economies and remains well above pre-pandemic levels. It has persisted amid second-round effects from earlier cost shocks and tight labor markets with robust wage growth as consumer demand has remained resilient. Medium-term inflation expectations generally remain anchored, but some gauges are up. These developments have caused central banks to raise rates faster than expected, especially in the United States and the euro area, and to signal that rates will stay elevated for longer. Core inflation is declining in some economies that have completed their tightening cycle—such as Brazil. Financial markets are displaying high sensitivity to inflation news, with equity markets rising following recent releases of lower inflation data in anticipation of interest rate cuts (Box 1), despite central banks' communicating their resolve to tighten policy further. With the peak in US headline inflation and an acceleration in rate hikes by several non-US central banks, the dollar has weakened since September but remains significantly stronger than a year ago.





Sources: Haver Analytics; and IMF staff calculations.

Note: The figure shows the developments in headline and core inflation across 18 advanced economies and 17 emerging market and developing economies. Core inflation is the change in prices for goods and services, but excluding those for food and energy (or the closest available measure). For the euro area (and other European countries for which the data are available), energy, food, alcohol, and tobacco are excluded. The gray bands depict the 10th to 90th PERCENTILES OF Inflation across economies.

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

## **INDIAN ECONOMY OVERVIEW**

### **Introduction**

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.

### **Market size**

- India's nominal gross domestic product (GDP) at current prices is estimated to be at ₹ 232.15 trillion (US\$ 3.12 trillion) in FY 2022,
- India is the third-largest unicorn base in the world with over 100 unicorns with a total valuation of US\$ 332.7 billion.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030s, for productivity and economic growth according to McKinsey Global Institute. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.

### **Recent Developments**

Recent economic developments in India are as follows:

- As of September 21, 2022, India's foreign exchange reserves stood at US\$ 524,520 million.
- The private equity-venture capital (PE-VC) sector investments stood at US\$ 2 billion in September 2022.
- Merchandise exports in September 2022 stood at US\$ 32.62 billion.

- PMI Services remained comfortably in the expansionary zone at 56.7 during April-September 2022.
- In September 2022, the gross Goods and Services Tax (GST) revenue collection stood at ₹147,686 crore (US\$ 17.92 billion).
- Between April 2000-June 2022, cumulative FDI equity inflows to India stood at US\$ 604,996 million.
- In August 2022, the overall IIP (Index of Industrial Production) stood at 131.3. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 99.6, 131.0 and 191.3, respectively, in August 2022.
- According to the data released by the ministry of statistics & Program Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 7.41% in September 2022.
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of ₹ 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

### **Government Initiatives**

The Government of India has taken several initiatives to improve the economic condition of the country. Some of these are:

- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In September 2022, Home & Cooperation Minister Mr. Amit Shah, laid the foundation stone and performed Bhoomi Pujan of Shri Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer.
- In August 2022, a Special Food Processing Fund of ₹ 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of ₹ 5,963 crore (US\$ 747.64 million).
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (INR) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- In the Union Budget of 2022-23, the government announced a production linked incentive (PLI) scheme for Bulk Drugs which was an investment of ₹ 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of ₹ 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production linked incentive (PLI) scheme for Bulk Drugs which was an investment of ₹ 2500 crore (US\$ 334.60 million).

- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated ₹ 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated ₹ 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got ₹ 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of ₹ 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth ₹ 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of ₹ 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced ₹ 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ₹ 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to ₹ 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23; it is expected to raise ₹ 4 lakh crore (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business

opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.

- In August 2021, Prime Minister Mr Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

## **Road Ahead**

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

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

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

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

## **Food Processing Industry in India**

### **Food processing - 'A sunrise sector'**

India's food ecosystem offers huge opportunities for investments with stimulating growth in the food retail sector, favourable economic policies, and attractive fiscal incentives.

Through the Ministry of Food Processing Industries (MoFPI), the Government of India is taking all necessary steps to boost investments in the food processing industry in India. Government of India has continued the umbrella PMKSY scheme with an allocation of INR 4600 crores till March 2026. The Ministry has also been implementing two more flagship schemes: PM Formalization of Micro Food Processing Enterprises Scheme (PMFME) for providing financial, technical, and business support for the up-gradation of existing micro food processing enterprises.

The exports of agricultural and processed food products rose by 30 per cent in the first four months of the current FY 2022-23 (April-July) in comparison to the corresponding period of FY 2021-22.

100% FDI is permitted under the automatic route in food processing industries in India.

- The FDI equity inflow in the Food Processing Sector for the period of April 2021- March 2022 was \$ 709.72 Mn. The total FDI received in the food processing sector from April 2000 till June 2022 was \$ 11.34 Bn.
- India's food processing market may touch \$470 bn by 2025. Tier-II and Tier-III cities could mirror the trend visible in metropolitan areas, by consuming more processed food in the coming years
- India's consumer spending to grow to \$6 tn by 2030
- 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 \$ 2.14 bn 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
- The total FDI received in the food processing sector since April 2014 till December 2021 is \$5.15 bn

### **Industry Scenario**

India's food processing sector is one of the largest in the world and its output is expected to reach \$535 bn by 2025-26. The Food Processing sector in India has a quintessential role in linking Indian farmers to consumers in the domestic and international markets. The Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments across the value chain. The food processing industry has a share of 12.38% (at 3-digit of NIC classification) in the employment generated in all Registered Factory sector engaging approximately 1.93 Mn people. Unregistered food processing sector supports employment to 5.1 Mn workers as per the NSSO 73rd Round report. Major sectors constituting the food processing industry in India are grains, sugar, edible oils, beverages, and dairy products.

Under PMKSY, 41 Mega Food Parks, 356 Cold Chain projects, 68 Agro-Processing Clusters, 320 proposals under Creation/Expansion of Food Processing & Preservation Capacities (CEFPPC), 61 Creation of Backward and Forward Linkages Projects & 06 Operation Green projects across the country have been approved.

The key sub-segments of the Food Processing industry in India are Fruits & Vegetables, Poultry & Meat processing, Fisheries, Food retail, dairy industry, etc.

### **Key facts:**

- Total Horticulture production in 2021-22 is estimated to be 341.63 MT
- India ranks 1st in milk production and contributes 23% to global milk production growing at a CAGR of about 6.2% to reach 209.96 MT in 2020-21
- India ranks 3rd in global egg production and produced at least 122.11 bn nos. in 2020-21 with per capita availability of egg at 91 eggs per annum in 2020-21.
- The fisheries sector grew at an impressive growth of 14.3% from 2019-20 to 2021-22. Fish production has reached an all-time high of 16.19 MMT during 2021-22.
- Online grocery retail in India has seen a CAGR of over 50% and projected to grow to \$10 Bn to 12 Bn by 2025.
- The marine products exports from India touched \$7,740 mn during 2021-22 despite the heavy odds faced by the sector. It observed 30% higher growth as compared to 2020-21. The USA,

China, and Japan are the top 3 favorite destinations of Indian marine exports. Exports to these three countries contributed 63% of exports.

- The export of other cereals increased from 102 MT in 2019-20 to 521 MT in 2020-21.
- India ranks 8th in meat production in the world. Meat production in the country has increased from 6.69 MT in 2014-15 to 8.80 MT in 2020-21 (Provisional).
- As per 4th advance estimates, the estimated production of rice is 130.29 mn tonnes, Wheat is 106.84 mn tonnes, and Nutri/Coarse cereals is 50.90 mn tonnes for the year 2021-22.
- During SS 2021-22, India exported 110 LMT sugar and became second largest exporter of sugar in the world and earned about INR 40,000 crore worth of foreign exchange for the country.

(Source-<https://www.investindia.gov.in/sector/food-processing>)

## **Agriculture and Allied Industries in India**

### **Introduction**

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

### **Market Size**

According to Inc42, the Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. Indian food and grocery market is the world's sixth largest, with retail contributing 70% of the sales. As per the third advance estimates, food grain production in India is estimated to be 314.51 MT in FY 2021-22. Rapid population expansion in India is the main factor driving the industry. The rising income levels in rural and urban areas, which have contributed to an increase in the demand for agricultural products across the nation, provide additional support for this. In accordance with this, the market is being stimulated by the growing adoption of cutting-edge techniques including block chain, artificial intelligence (AI), geographic information systems (GIS), drones, and remote sensing technologies, as well as the release of various e-farming applications. The Indian food industry is growing at a CAGR of 11% and the output is projected to reach the US \$535 billion by 2025. The food processing sector will be led by the demand in retail and the rise of health-conscious consumers.

### **Investments and Recent Developments**

According to the Department for Promotion of Industry and Internal Trade (DPIIT), the Indian food processing industry has cumulatively attracted Foreign Direct Investment (FDI) equity inflow of about US\$ 10.43 billion between April 2000 and June 2021.

Some major investments and developments in agriculture are as follows:

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), the Indian food processing industry has cumulatively attracted Foreign Direct Investment (FDI) equity inflow of about US\$ 2.55 billion between April 2000 and March 2022.
- In 2022, the Government of India is planning to launch Kisan Drones for crop assessment, digitization of land records, spraying of insecticides and nutrients.
- India's agricultural and processed food products exports stood at US\$ 5,987 million in the first quarter of FY 2022-23, up by 14% YoY.
- In FY 2021-22, agriculture and allied products exports stood at US\$ 50.21 billion.
- Gross Value Added by the agriculture and allied sector was 18.8% in FY 2021-22 (until 31 January, 2022)

- Agriculture and allied activities recorded a growth rate of 3.9% in FY 2021-22 (until 31 January, 2022)
- Consumer spending in India will return to growth in 2022 post the pandemic-led contraction, expanding by as much as 7%.
- Private consumption expenditure (at constant prices) was estimated at ₹ 80.8 trillion (US\$ 1.08 trillion) in FY22 against ₹ 75.6 trillion (US\$ 1.01 trillion) in FY20.
- The organic food segment in India is expected to grow at a CAGR of 10% during 2015–25 and is estimated to reach ₹ 75,000 crore (US\$ 10.73 billion) by 2025 from ₹ 2,700 crore (US\$ 386.32 million) in 2015.
- The processed food market in India is expected to grow to ₹ 3,451,352.5 crore (US\$ 470 billion) by 2025, from ₹ 1,931,288.7 crore (US\$ 263 billion) in FY20 on the back of government initiatives such as planned infrastructure worth US\$ 1 trillion and Pradhan Mantri Kisan Sampada Yojna. The food processing industry employs about 1.77 million people. The sector allows 100% FDI under the automatic route.
- From 2017 to 2020, India received US\$ 1 billion in agritech funding. With significant interest from the investors, India ranks third in terms of agritech funding and number of agritech start-ups. By 2025, Indian agritech companies are likely to witness investments worth US\$ 30-35 billion.
- Nestle India will invest ₹ 700 crore (US\$ 100.16 million) in construction of its ninth factory in Gujarat.

## **Government Initiatives**

Some of the recent major Government initiatives in the sector are as follows:

- In the Union Budget 2022-23:
  - Rs. 1.24 lakh crore (US\$ 15.9 billion) has been allocated to Department of Agriculture, Cooperation and Farmers' Welfare.
  - Rs. 8,514 crore (US\$ 1.1 billion) has been allocated to the Department of Agricultural Research and Education.
- 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 ₹ 10,000 crore (US\$ 1.27 billion).
- The Indian government is planning to launch Kisan Drones for crop assessment, digitization of land records, spraying of insecticides and nutrients.
- NABARD will assist the creation of a blended capital fund with a focus on the agricultural start-up ecosystem which will be used to fund agriculture and rural enterprise start-ups that are related to the farm product value chain.
- A network of 729 Krishi Vigyan Kendras has been established at the district level across the country to ensure that newer technologies such as improved variety seeds of crops, new breeds/ strains of livestock and fish, and improved production and protection technologies reach farmers.
- In October 2021, the Union Minister of Home Affairs and Cooperation launched the 'Dairy Sahakar' scheme in Anand, Gujarat.
- 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 transport. 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.
- In October 2021, Agricultural and Processed Food Products Export Development Authority (APEDA) signed a Memorandum of Understanding (MoU) with ICAR-Central Citrus Research Institute (ICAR-CCRI), Nagpur, for boosting exports of citrus and its value-added products.

- In October 2021, the Union Ministry of Agriculture and Farmers Welfare announced that 820,600 seed mini-kits will be distributed free of cost in 343 identified districts across 15 major producing states under a special programme. This programme is likely to boost production and productivity by speeding up the seed replacement rate and subsequently, help in increasing farmer's income.
- In September 2021, Prime Minister Mr. Narendra Modi launched 35 crop varieties with special traits such as climate resilience and higher nutrient content.
- Prime Minister of India launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan) and transferred ₹ 2,021 crore (US\$ 284.48 million) to bank accounts of more than 10 million beneficiaries on February 24, 2019. As per the Union Budget 2021-22, ₹ 65,000 crore (US\$ 8.9 billion) was allocated to Pradhan Mantri Kisan Samman Nidhi (PM-Kisan).
- The Indian government has initiated Digital Agriculture Mission for 2021-25 for agriculture projects based on new technologies such as artificial intelligence, block chain, remote sensing and GIS technology, drones, robots and others.
- In September 2021, the Union Ministry of Agriculture and Farmers' Welfare signed five MoUs with CISCO, Ninjacart, Jio Platforms Limited, ITC Limited and NCDEX e-Markets Limited. This MoU will have five pilot projects, which will help farmers make decisions on the kind of crops to grow, variety of seeds to use and best practices to adopt to maximise yield.
- With a budget of US\$ 1.46 billion, the 'Production-Linked Incentive Scheme for Food Processing Industry (PLISFPI)' has been approved to develop global food manufacturing champions commensurate with India's natural resource endowment and to support Indian food brands in international markets.
- Under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PM FME), an outlay of ₹ 10,000 crore (US\$ 1.34 billion) over a period of five years from FY21 to FY25 has been sanctioned.
- In April 2021, the Government of India approved a PLI scheme for the food processing sector with an incentive outlay of ₹ 10,900 crore (US\$ 1,484 million) over a period of six years starting from FY22.
- The Agriculture Export Policy, 2018 was approved by the Government of India in December 2018. The new policy aimed to increase India's agricultural export to US\$ 60 billion by 2022 and US\$ 100 billion in the next few years with a stable trade policy regime.
- The Government of India is going to provide 2,000 crore (US\$ 306.29 million) for computerization of Primary Agricultural Credit Society (PACS) to ensure cooperatives are benefitted through digital technology.
- The Government of India launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of ₹ 50,000 crore (US\$ 7.7 billion) aimed at development of irrigation sources for providing a permanent solution from drought.
- Government plans to triple the capacity of food processing sector in India from the current 10% of agriculture produce and has also committed ₹ 6,000 crore (US\$ 936.38 billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India has allowed 100% FDI in marketing of food products and in food product E-commerce under the automatic route.

### **Achievements in the Sector**

- As of October 27, 2021, the total rabi area stood at 0.53 lakh hectares.
- As per first advance estimates released by the Ministry of Agriculture and Farmers Welfare, record foodgrain production of 150.50 million tonnes is likely in the 2021-22 kharif season.
- As per first advance estimates released by the Ministry of Agriculture and Farmers Welfare, production of rice was estimated at 102.36 million tonnes (MT), while production of food grains was estimated at 144.52 MT in the crop year 2020-21.
- In July 2021, the first commercial consignment of Kashmir's Mishri cherry was shipped to Dubai, paving the way to boost horticulture crop exports.



- In June 2021, India exported 24 metric tonnes of groundnuts to Nepal from West Bengal, boosting groundnut exports from Eastern India.
- In FY21, India exported 1.91 lakh tonnes of banana worth ₹ 619 crore (US\$ 82.90 million).
- Paddy procurement in Kharif Marketing Season (KMS) 2020-21 until January 10, 2021, reached over 534.44 lakh metric tonnes (LMT), an increase of 26.24% against the last year corresponding purchase of 423.35 LMT.
- In November 2020, the planting of winter crops exceeded by 10% compared with the last year and witnessed 28% increase in area under pulses. The total area acreage under pulses increased to 8.25 million hectares from 6.45 million hectares last year.
- Out of the total 37 mega food parks that were sanctioned, 22 mega food parks are operational, as of January 2021.
- In November 2020, Minister of Consumer Affairs, Food and Public Distribution, Mr. Piyush Goyal announced that the Food Cooperation of India and state agencies are set to procure a record quantity of 742 LMT (lakh metric tonnes) paddy during the ongoing Kharif crop season as against 627 LMT paddy last year.
- The Electronic National Agriculture Market (e-NAM) was launched in April 2016 to create a unified national market for agricultural commodities by networking existing APMCs. It had 16.9 million farmers and 157,778 traders registered on its platform until February 2021. Over 1,000 mandis in India are already linked to e-NAM and 22,000 additional mandis are expected to be linked by 2021-22.
- Sale of tractors in the country stood at 880,048 units in 2020 with the export of 77,378 units.
- The principal commodities that posted significant positive growth in exports between FY20 and FY21 were the following:
  - Wheat and Other Cereals: 727% from ₹ 3,708 crore (US\$ 505 million) to ₹ 5,860 crore (US\$ 799 million)
  - Non-Basmati Rice: 132% from ₹ 13,130 crore (US\$ 1,789) to ₹ 30,277 crore (US\$ 4,126 million)
  - Soya Meal: 132% from ₹ 3,087 crore (US\$ 421 million) to ₹ 7,224 crore (US\$ 984 million)
  - Raw Cotton: 68% from ₹ 6,771 crore (US\$ 923 million) to ₹ 11,373 crore (US\$ 1,550 million)
  - Sugar: 39.6% from ₹ 12,226 crore (US\$ 1,666 million) to ₹ 17,072 crore (US\$ 2,327 million)
  - Spices: 11.5% from ₹ 23,562 crore (US\$ 3,211 million) to ₹ 26,257 crore (US\$ 3,578 million)
- During FY20 (till February 2020), tea export stood at US\$ 709.28 million.
- Coffee export stood at US\$ 742.05 million in FY20.

## Road Ahead

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits. The agri export from India is likely to reach the target of US\$ 60 billion by the year 2022.

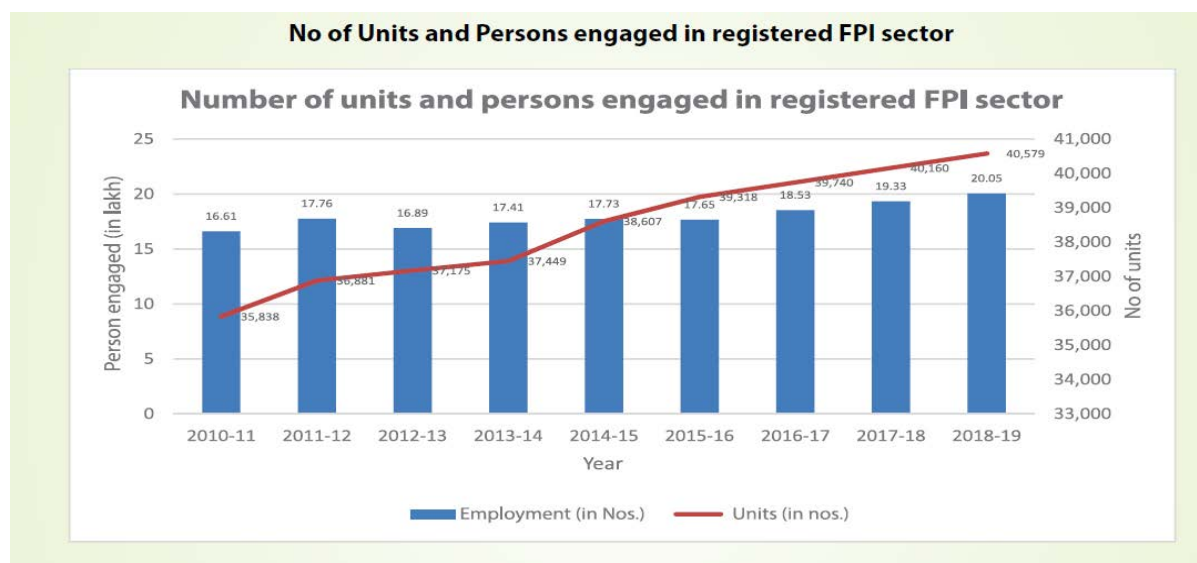
(Source-<https://www.ibef.org/industry/agriculture-india>)

### **Food Processing - Key contributor to employment in India**

	Food Exports	35,467.9	35,302.5	32,732.0	38,314.3	24,901.7
	Processed Food Exports	5,273.9	6,389.2	6,264.0	8,543.1	5,183.4
	%share of Processed Food in Food Exports	14.9%	18.1%	19.1%	22.3%	20.8%
	India's Total Export	303,526.2	330,078.1	313,361.0	291,163.5	233,912.6
	%share of Food Exports in Overall Exports	11.7%	10.7%	10.4%	13.2%	10.6%

Source: DGCIS, Kolkata

Annual Survey of Industries (ASI) 2018-19, the total number of persons engaged in registered food processing sector was 20.05 lakhs. The cumulative number of units and person engaged in registered food processing industries from 2010-11 to 2018-19 is presenting following chart:



(Source: <https://www.mofpi.gov.in/documents/reports/annual-report>)

### **Pradhan Mantri Kisan Sampada Yojana (PMKSY)**

Government of India had approved the umbrella Central sector scheme, SAMPADA- Scheme for Agro-marine processing and Development of Agro-processing Clusters with a total allocation of ₹6000 crore on 03.05.2017 for implementation period 2016-2020 coterminous with the 14th Finance Commission cycle. The scheme has been subsequently renamed as 'Pradhan Mantri Kisan SAMPADA Yojana (PMKSY)'. PM Kisan SAMPADA Yojana was envisaged as a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. It will not only provide a big boost to the growth of food processing sector in the country but also help in providing better returns to farmers and is a big step towards doubling of farmers income, creating huge employment opportunities especially in the rural areas, reducing wastage of agricultural produce, increasing the processing level and enhancing the export of the processed foods.

The PMKSY had seven component schemes;

- (i) Mega Food Parks,
- (ii) Integrated Cold Chain and Value Addition Infrastructure,
- (iii) Infrastructure for Agro-Processing Clusters,
- (iv) Creation of Backward and Forward Linkages,
- (v) Creation/Expansion of Food Processing & Preservation Capacities,

- (vi) Food Safety and Quality Assurance Infrastructure and
- (vii) Human Resources and Institutions.

Now Government of India (GOI) has approved the continuation of the Central Sector Scheme – Pradhan Mantri Kisan SAMPADA Yojana (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters) with an allocation of ₹ 4600 crore till 31.03.2026 coterminous with the 15th Finance Commission cycle. The scheme will be implemented by Ministry of Food Processing Industries (MoFPI). Pradhan Mantri Kisan SAMPADA Yojana

The following schemes will be implemented under PM Kisan SAMPADA Yojana :

- I. Integrated Cold Chain and Value Addition Infrastructure
- II. Creation/ Expansion of Food Processing and Preservation Capacities (Unit Scheme)
- III. Infrastructure for Agro-processing Clusters
- IV. Food Safety and Quality Assurance Infrastructure
- V. Human Resources and Institutions –Research & Development
- VI. Operation Greens

(Source-<https://www.mofpi.gov.in/Schemes/about-pmksy-scheme>)

#### **Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)**

Cabinet in its meeting approved the Central Sector Scheme – “**Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)**” to support creation of global food manufacturing champions commensurate with India’s natural resource endowment and support Indian brands of food products in the international markets with an outlay of ₹10900 crore.

#### **Background:**

- The food processing sector in India encompasses manufacturing enterprises in all the segments from micro to large industries.
- India is having competitive advantage in terms of resource endowment, large domestic market and scope for promoting value added products.
- Achieving full potential of this sector would require Indian companies to improve their competitive strength vis-à-vis their global counterpart in term of scale of output, productivity, value addition and their linkages with the global value chain.
- The Production Linked Incentive Scheme for Food Processing Industry has been formulated based on the Production Linked incentive scheme of NITI Aayog under “AatmaNirbhar Bharat Abhiyaan for Enhancing India's Manufacturing Capabilities and Enhancing Exports”

#### **Salient features:**

- Central Sector Scheme with an outlay of ₹ 10900 crore
- The first component relates to incentivising manufacturing of four major food product segments viz. Ready to Cook/ Ready to Eat (RTC/ RTE) foods including Millets based products, Processed Fruits & Vegetables, Marine Products, Mozzarella Cheese.
- Innovative/ Organic products of SMEs including Free Range - Eggs, Poultry Meat, Egg Products in these segments are also covered under above component.
- The selected applicant will be required to undertake investment, as quoted in their Application (Subject to the prescribed minimum) in Plant & Machinery in the first two years i.e. in 2021-22 & 2022-23.
- Investment made in 2020-21 also to be counted for meeting the mandated investment.
- The conditions of stipulated Minimum Sales and mandated investment will not be applicable for entities selected for making innovative/ organic products.
- The second component relates to support for branding and marketing abroad to incentivise emergence of strong Indian brands.
- For promotion of Indian Brand abroad, the scheme envisages grant to the applicant entities for - in store Branding, shelf space renting and marketing.
- Scheme will be implemented over a six-year period from 2021-22 to 2026-27.

(Source-<https://www.mofpi.gov.in/PLISFPI/central-sector-scheme-production-linked-incentive-scheme-food-processing-industry-plisfpi>)

## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year.*


*In this section, a reference to the “Company” or “we”, “us” or “our” means Jay Kailash Namkeen Limited. All financial information included herein is based on our “Financial information of our company” included on page 145 of this Draft Red Herring Prospectus.*

### Overview

Our Company was originally incorporated on June 30, 2021 as “Jay Kailash Namkeen (OPC) Private Limited” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently our Company acquired the running business of proprietorship firm M/s. Kailash Namkeen via Business Transfer Agreement dated July 26, 2021. Further the name of our company was changed from “Jay Kailash Namkeen (OPC) Private Limited” to “Jay Kailash Namkeen Private Limited” and fresh certificate of incorporation dated May 25, 2022 was issued by, Registrar of Companies, Ahmedabad pursuant to conversion of one-person company to private company. Subsequently our Company was converted into Public Limited Company and name of company was changed from “Jay Kailash Namkeen Private Limited” to “Jay Kailash Namkeen Limited” vide fresh certificate of incorporation dated June 24, 2022 issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U15549GJ2021PLC123708.

Our Company is engaged in the business of manufacturing of packaged Indian snacks. Our range of Indian snacks includes Chana Jor Namkeen, Masala Chana Jor, Pudina Chana, Masala Mung Jor, Plain Mung Jor, Bingo Triangle, Soya Sticks, Haldi Chana etc. We have SKUs of our 60 products ranging from ₹5, ₹10, 400 Grams, 5 Kgs. and 20 Kgs. packs. Our diversified product portfolio is therefore, relatively less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product segment.

Our Company was initially engaged in B2B business wherein we manufacture products in bulk quantities for other well recognised companies/brands in same industry. We manufacture products and supply in the states of Assam, Bihar, Chhattisgarh, Gujarat, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, Telangana and Uttar Pradesh. However, from April 2022 onwards we have also started

B2C business along with our existing B2B business under our own brand name . We are also into wholesale trade of Chana Jor namkeen.

Our registered office and manufacturing facility is situated at Aji Vashahat, GIDC, A/15 Rajkot, Gujarat-360003, India. We have production capacity of 2,300 tonnes annually at our manufacturing facility. Our units are well equipped with machineries and other handling equipment to facilitate smooth manufacturing process.

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

quality management systems of our Company in relation to our products. Also, we are ISO 9001:2015 and ISO 22000: 2018 certified company.

Table set forth below are certain key operational and financial metrics for the periods indicated:

(₹ in Lakhs)

Particulars	As at December 31, 2022	As at March 31, 2022	As at June 30, 2021*	As at March 31, 2021*	As at March 31, 2020*
Revenue from operations	767.28	725.97	317.15	1,314.56	999.14
EBITDA	112.27	82.14	7.68	19.11	23.97
EBITDA margin	14.63%	11.32%	2.42%	1.45%	2.40%
EBIT	101.79	74.73	5.99	11.07	19.12
EBIT Margin	13.27%	10.29%	1.89%	0.84%	1.91%
Profit for the year	70.81	49.42	5.57	8.81	6.45
Profit after tax margin (%)	12.80%	6.81%	1.76%	0.67%	0.65%
Capital employed	378.17	56.52	30.97	28.42	21.17
ROCE (%)	26.92%	132.21%	19.35%	38.95%	53.33%
ROE (%)	20.75%	98.02%	NA	NA	NA
Debt-to-Equity ratio	0.40	0.28	NA	NA	NA

\*Above key operational and financial parameters for the year ended 2020, 2021 and for the period ended June 30, 2021 are extracted from the Audited Financial Statements of Proprietorship Concern M/s. Kailash Namkeen which was subsequently acquired by Issuer Company via Business Transfer Agreement dated July 26, 2021. For history of the company please refer chapter titled "General Information" page 50 of DRHP.

Table set forth below is bifurcation of our revenue from operations in terms of our geographical presence under our B2B and B2C model:

(₹ in Lakhs)

State	Period ended March 31, 2022		Period ended December 31, 2022	
	B2B Sales	B2C Sales	B2B Sales	B2C Sales
Assam	1.31	-	3.56	-
Bihar	14.32	-	1.25	-
Chhattisgarh	3.46	-	-	-
Gujarat	67.31	-	93.04	115.12
Madhya Pradesh	69.48	-	127.17	-
Maharashtra	40.33	-	19.71	-
Odisha	-	-	4.16	-
Rajasthan	518.30	-	398.84	-
Telangana	5.31	-	4.42	-
Uttar Pradesh	6.16	-	-	-
<b>Total</b>	<b>725.97</b>	<b>-</b>	<b>652.16</b>	<b>115.12</b>

Table set forth below is bifurcation of our revenue from operations in terms of our customer concentration:

(₹ in Lakhs)

Particular	For Period ended December 31, 2022		For Period ended March 31, 2022	
	Revenue	In %	Revenue	In %
<b>Top 5 customers</b>	710.24	92.57	632.43	87.11



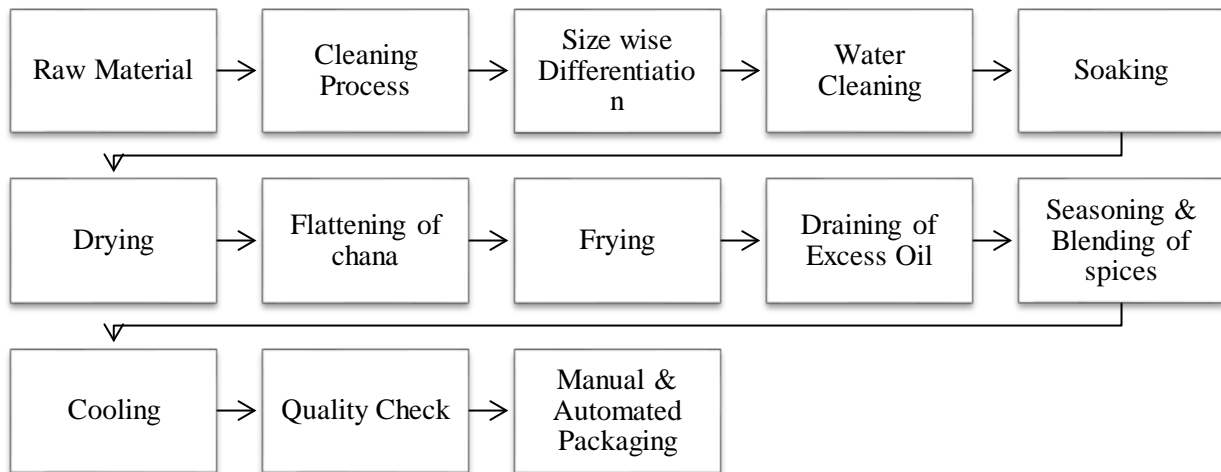
Top 10 customers	733.73	95.63	645.69	88.94
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## Our Manufacturing Facility

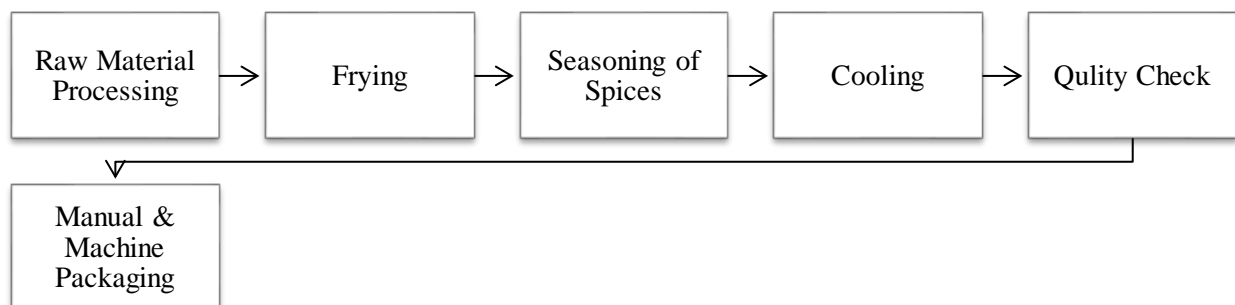


## Our Manufacturing Process:

### Chana Jor and related products



#### Other Products:



#### Brief details of our Manufacturing Process:

- **Raw Material Planning:**

Our raw material planning process includes streamlining our raw material supply chain with our comprehensive planning approach. We balance our current inventory levels with the identification of new raw materials needed and schedule production to ensure seamless operation.

- **Ordering Raw Materials:**

To ensure a smooth and efficient manufacturing process, we take a proactive approach to securing our raw materials. Our team assesses the raw material needs and places orders with trusted suppliers in a timely manner. We are dedicated to ensuring that the delivery of these essential materials arrives promptly, so that there are no delays in our production schedule. By doing so, we are able to maintain the highest standards of quality and efficiency in our operations.

- **Manufacturing:**

Our manufacturing process includes Raw material processing, frying, drying, size wise differentiation, seasoning and blending of spices, quality check and packing of final product.

- **Quality Check:**

We take pride in closely monitoring each stage of the production process to ensure that only the finest products make their way to our valued customers. With unwavering attention to detail and a commitment to excellence, we ensure that the finished products undergo a rigorous quality assessment before they leave our facility.

- **Packing:**

We spare no expense to ensure that we deliver the freshest and most delicious product possible. For this, we use highest-grade packing materials, carefully chosen to extend the shelf life of our products to a full year.

- **Dispatch:**

We understand the importance of getting our products to our customers quickly and efficiently. For this, for local deliveries, we entrust our products to be delivered by our employees. And for deliveries to customers further afield, we rely on third-party transport service providers to ensure that our products are delivered in perfect condition.

### Testing and Quality Control Facilities

From start to end of the manufacturing process, strict measures are put in place to emphasis on quality and product safety. We have following quality certificates:

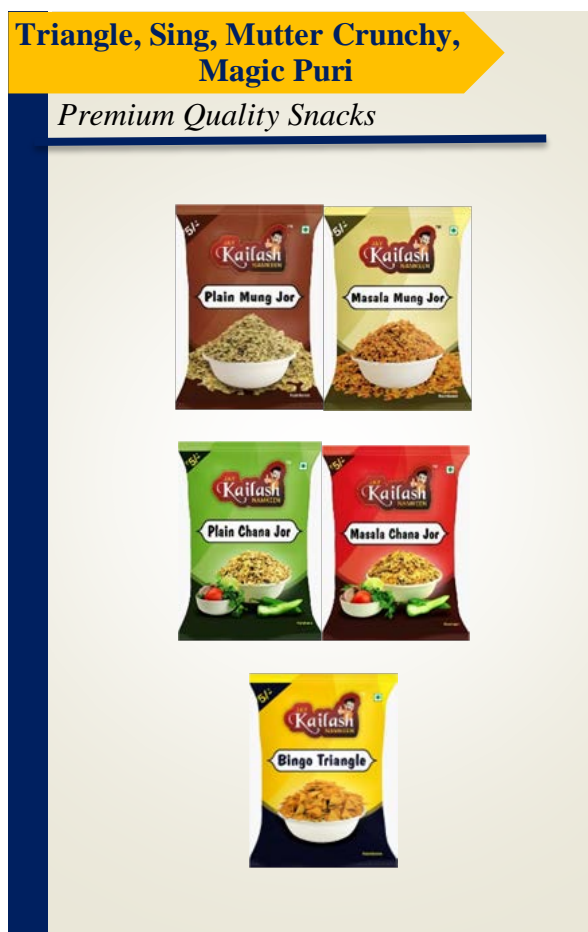
Sr. No.	Particulars of Certification	Certificate No.	Initial Certificate Date	Validity End Date
1.	ISO 9001:2015	QMS-2022-1214Y96501	December 14, 2022	December 14, 2025
2.	ISO 22000:2018	QMS-2022-1207Y96511	December 14, 2022	December 14, 2025

### Our Products

Our products range include:







## Our Strengths

- ***Diversified Product Portfolio***

Our diversified product portfolio includes 18 products thereby effectively addressing a large consumer base. We believe that our ability to identify market trends and develop new flavours catering to the palate of Indian consumers is a significant factor that have contributed to the growth of our business. Our ability to develop innovative snacks products, effectively supported by our strategically located manufacturing facility, enables us to launch and market new products aligned to evolving consumer preferences. Such product development work is manifested through changes in product composition, launching of new flavours and varieties of existing snacks, amongst others.

- ***Existing client relationship***

We have maintained good relationship with our major customers. We are successful in building a strong client base for our business. Our existing relationships help us to get repeat business from our customers. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

- ***Product Packaging***

The material used by us in packaging is thick enough to protect our product from air and sun contamination and thus increases the product shelf life. Our product range has a shelf life of 9 months to 1 year for all the product ranges which have passed the trial and testing stage.

- ***Quality Assurance***

We take pride in closely monitoring each stage of the production process to ensure that only the finest products make their way to our valued customers. With unwavering attention to detail and a commitment to excellence, we ensure that the finished products undergo a rigorous quality assessment before they leave our facility

## **Our Strategies**

- ***Create a distribution network and increase our brand awareness to develop our B2C business***

For any FMCG company engaged in manufacturing of packaged Indian snacks to grow having a distribution network and brand awareness is of paramount importance, hence we intend to increase our distribution network and increase our brand presence to develop our B2C business. For this, we will create a distribution network that leverages the strengths of franchisee and master franchisee etc. And at the same time, we will build a strong brand reputation by investing in advertising and publicity campaigns.

- ***Expand our product portfolio***

In any industry, particularly in FMCG sector, customer preferences vary frequently. Therefore, to stay ahead of the competition, we must evolve ourselves according to ever changing consumer tastes. Therefore, our team focuses on market research and analysis of evolving customer trends and preferences, for the purposes of introducing new products in the market and to maintain our competitive position in the industry. Such product development work is manifested through changes in product composition, launching of new flavours and varieties of existing snacks, amongst others.

- ***Enhance and expand operational efficiencies***

We will keep focusing on expanding our operations and boosting operational efficiency at our existing manufacturing plant. Bigger operational efficiency leads to higher production volumes and sales, allowing us to distribute fixed costs across a larger number of units sold resulting in increased profit margins. We'll also keep identifying new initiatives to improve our operational efficiencies and save operating costs.

- ***Expand our current business relationships***

Our goal is to build long-term sustainable business relationships with our customers to generate increasing revenues. We plan to continue to expand the scope and range of current business provided to our existing customers by continuing to build our expertise and extending our capabilities. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer's base. We now focus on guiding the overall experience of our customer which is intended to upgrade the experience of customer to one of much greater engagement and satisfaction.

## **Capacity Utilization:**

<b>Particulars</b>	<b>For the Period from April 01, 2022 to December 31, 2022*</b>	<b>For the Period ended March 31, 2022</b>
Installed Capacity (in	2,300.00	2,740.00

Particulars	For the Period from April 01, 2022 to December 31, 2022*	For the Period ended March 31, 2022
tonnes)		
Capacity Utilized (in tonnes)	842.5	878.96
Capacity Utilized (in %)	36.63	32.08

\*Calculated on the basis of number of days

### Plant & Machinery:

Our plant and machinery include Fryer, Mixture, Central Heating, Cleaning & Packaging machines.

### Human Resources

The following table sets forth a breakdown of our employees by department:

Sr. No.	Particulars	No of Employees
1.	Account & Finance Department	2
2.	Production Department	2
3.	Operation Department	1
4.	Purchase department	1
5.	Legal Department	1
6.	Administration department	1
	<b>Total</b>	<b>8</b>

### Utilities and Infrastructure Facilities

- **Registered office and Manufacturing facility**

Our registered office and manufacturing facility is situated at Aji Vashahat, GIDC, A/15 Rajkot, Gujarat-360003, India.

Our registered office and manufacturing facility is equipped with machinery, computer systems, servers, relevant software and other communication equipment, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

- **Power**

Our Company meets its power requirements from Paschim Gujarat Vij Company Limited and the same is sufficient for our day-to-day functioning.

- **Water**

Water is required in manufacturing process and for human consumption and adequate water sources are available from municipal water supply. The requirements are fully met at the existing premises.

### Collaborations / performance guarantee

As on the date of filing of this Draft Red Herring Prospectus, our company has not entered into any collaborations or any performance guarantee.

### Export and export obligation

Our Company does not have any export obligation as on the date of this DRHP.

## Insurance

We have obtained insurance coverage in respect of certain risks related to fire, earthquake, machinery breakdown, fire loss of profits, for our factory building, plant & machinery and stock through an industrial all risk policy. We believe that we maintain material insurance policy that are customary for companies operating in our industry. The insurance policies are reviewed periodically to ensure that the coverage is adequate. Although we attempt to limit and mitigate our liability for damages our insurance may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages. For further details, please refer to “Risk factors” on page 28 of this Draft Red Herring Prospectus.

## Approach to marketing




The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our team through their experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company.

## Competition

We face intense competition in the Indian snack food market, from various domestic and multinational companies in India. Our Industry has number of unorganised players in the market operating in the local vicinity. We believe that our ability to compete effectively is primarily dependent on ensuring consistent product quality and timely delivery at competitive prices, thereby strengthening our brand over the years.

## Intellectual Property

Table set forth below are the trademarks registered/abandoned/objected in the name of our Company under the Trademarks Act, 1999:

Sr. No.	Logo/ Trademark	Class	Nature of Trademark	Owner	Trademark/Application No., Date of Application/Registration and Status
1.	Trademark	30		Jay Kailash Namkeen (OPC) Private Limited	Trademark Application Number – 5475000 Date of Application – 03.06.2022 Status – Formalities Check Pass
2.	Trademark*	30		Nishitbhai Navinchandra Sonchhatra Proprietor of M/s. Kailash Namkeen	Trademark No. – 3746358 Date of Registration – 06.02.2018 Status – Registered
3.	Trademark	30		Jay Kailash Namkeen Limited	Trademark Application Number – 5653305 Date of Application – 18.10.2022 Status – Marked for Exam

\* The Trademark is registered on name of Nishitbhai Navinchandra Sonchhatra Proprietor of M/s. Kailash Namkeen and our Company has filed an application dated October 18, 2021 for transfer of trademark.

**The Details of Domain Name registered in the name of the Company is: -**

S. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant	Creation Date	Registration Expiry Date
1.	<a href="http://jaykailashnamkeen.com/">http://jaykailashnamkeen.com/</a>	Registrar: GoDaddy.com, LLC Registrar IANA ID: 146	Registrar URL: <a href="https://www.godaddy.com">https://www.godaddy.com</a>	24.02.2022	24.02.2023

### Immovable Property

#### Properties owned/Leased by the Company

We operate out of following properties as on the date of this Draft Red Herring Prospectus:

S. No.	Details of the Property	Licensor/Lessor/Vendor	Owned/Leased	Consideration/ Lease Rental/ License Fees (in ₹.)	Use
1.	Aji Vashahat GIDC A/15 Rajkot, Gujarat-360003, India	Smt. Brindaben Dharmendrabhai Jogi	Leased	Rent Agreement dated June 27, 2022 between Smt. Brindaben Dharmendrabhai Jogi and Jay Kailash Namkeen Limited through its director Neel Narendrabhai Pujara for period of 11 months at monthly rent of ₹ 25,000/- starting from June 01, 2022.	Registered Office

## **KEY INDUSTRY REGULATIONS AND POLICIES**

*The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from various legislations including rules and regulations promulgated by regulatory bodies and the bye laws of the respective local authorities and publications available in the public domain. The description below may not be exhaustive, and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.*

*The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, see “Government and Other Approvals” on page 186. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.*

*Following is an overview of some of the important laws and regulations, which are relevant to our business.*

### **INDUSTRY-SPECIFIC LAWS**

#### **The Shops and Establishment legislations.**

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

#### **The Registration Act, 1908**

The Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose. The purpose of Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. Evidence of registration is available through an inspection of relevant land records, which usually contains details of the registered property.

#### **The Indian Stamp Act, 1899 (“Stamp Act”)**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp 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 authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

### **The Information Technology Act, 2000 (“IT Act”)**

The Information Technology Act, 2000 regulates and governs the communications made and services provided in the electronic form. It provides legal recognition to transactions carried out by means of electronic data interchange and other means of electronic communication. The IT Act prescribes punishment for publication of, obscene and offensive materials through electronic means. The Information Technology (Amendment) Act, 2008, which amended the IT Act, gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability. Further, under Section 69A of the IT Act and the Information Technology (Procedure & Safeguards for Blocking for Access of Information by Public) Rules, 2009, directions can be issued by the Government or intermediary, blocking public access to any information generated, transmitted, retrieved, stored or hosted in any computer resource.

### **The Micro, Small and Medium Enterprises Development Act, 2006 (the “MSME Act”)**

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”) In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951.

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

The FSSA was enacted on August 23, 2006 repealing and replacing the Prevention of Food Adulteration Act, 1954. The FSSA pursues to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India (“FSSAI”) for laying down scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption, and for matters connected therewith or incidental thereto. The standards prescribed by the FSSAI include specifications for food additives, flavourings, processing aids and materials in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. Under the provisions of the FSSA, no person may carry on any

food business except under a license granted by the FSSAI. The FSSA sets forth the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators. In exercise of powers under the FSSA, the FSSAI has also framed the Food Safety and Standards Rules, 2011 (“FSSR”). The FSSR sets out the enforcement structure of ‘commissioner of food safety’, ‘the food safety officer’ and ‘the food analyst’ and procedures of taking extracts, seizure, sampling and analysis. The FSSA also lays down penalties for various offences, including recall procedures. The Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 provides for the conditions and procedures for registration and licensing process for food business and lays down general requirements to be fulfilled by various food business operators (“FBOs”), including petty FBOs as well as specific requirements to be fulfilled by businesses dealing with certain food products. In terms of the Food Safety and Standards (Food Recall Procedure) Regulations, 2017, every FBO engaged in manufacture, importation or wholesale supply of food is required to have a food recall plan. The packaging done by a FBO is required to comply with the Food Safety and Standards (Packaging) Regulations, 2018, while labelling and display of pre-packaged food items must comply with the Food Safety and Standards (Labelling and Display) Regulations 2020. According to the Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations, 2018, an e-commerce FBO (which includes sellers and brand owner who display or offer their food products, through e-commerce, and providers of transportation services for the food products and/or providing last mile delivery transportation to the end consumers), is required to obtain central license from the concerned central licensing authority.

#### **Legal Metrology Act, 2009 (“Legal Metrology Act”)**

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

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

The Packaged Commodity Rules have amended the Legal metrology (Packaged Commodities) Rules, 2011, and lays down specific provisions applicable to packages intended for retail sale, whole-sale and for export and import. Pursuant to the packaged Commodity Rules, any pre-packaged commodity sold for use and consumption by the citizens must properly mention several details such as, the description and quantity of ingredients, date of manufacturing, date of expiry (for items prone to expiration), weight, statutory warnings, manufacturer address, contact and some other info like consumer care details, country of origin, etc.

### **TAX RELATED LAWS**

#### **Income Tax**

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon



its “Residential Status” and “Type of Income” involved. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

### **Goods and Service Tax (GST)**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017(UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under. It replaces following indirect taxes and duties at the central and state levels.

### **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 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.

## **ENVIRONMENT RELATED LAWS**

### **Environment Protection Act, 1986**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for coordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

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

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

consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

### **Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")**

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

## **LABOUR LAWS**

### **Contract Labour (Regulation and Abolition) Act, 1970**

The CLRA Act was enacted to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA Act is applicable to every establishment in which 20 or more workmen are or were employed in the preceding 12 months as contract labour and to every contractor who employs or employed on any day during the preceding 12 months, 20 or more workmen. Every principal employer of an establishment to which the CLRA Act applies, shall apply for registration of the establishment with the appropriate registering office and get registered. Under the CLRA Act, the principal employer has to provide essential amenities like canteens, rest rooms, drinking water facilities and first aid facilities if the same is not provided by the contractor. Every contractor to whom the CLRA Act applies, is also required to obtain a license and not to undertake or execute any work through contract labour, except under and in accordance with such license. Further under the CLRA Act, the principal employer has to ensure through a nominated representative the Contractor distributes wages within the prescribed time, failing which the principal employer shall be liable to make payment of wages in full or the unpaid balance and recover the amount so paid from the Contractor.

### **Payment of Wages Act, 1936 ("POW Act")**

The POW Act was enacted with a view to ensuring that wages payable to employed persons covered by the Act were disbursed by the employers within the prescribed time limit and that no deductions other than those authorised by law were made by them. It applies to the persons employed in a factory, industrial or other establishment, where the monthly wages payable are less than Rs.21,000/- whether directly or indirectly, through a sub-contractor and provides for the imposition of fines on persons responsible for payment of wages and deductions and lays down wage periods. Employers have to compulsorily maintain register of wages, register of fines, register of deduction for damages or loss, and register of advances in the prescribed forms.

### **Employees' Compensation Act, 1923**

The EC Act was enacted to provide for the payment by certain classes of employers to their employees of compensation for injury by accident. The term "employer" under the EC Act includes any body of persons whether incorporated or not and any managing agent of an employer and the

legal representative of a deceased employer, and, when the services of an employee are temporarily lent or let on hire to another person by the person with whom the employee has entered into a contract of service or apprenticeship, means such other person while the employee is working for him. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The POSH Act was enacted to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. The POSH Act mandates every employer to provide a safe working environment at the workplace which shall include safety from the persons coming into contact at the workplace. The POSH Act provides that employers must formulate a policy against sexual harassment at workplace and that policy needs to be disseminated. The POSH Act defines sexual harassment to include any unwelcome acts or a sexually determined behaviour (whether directly or by implication). Workplace under the POSH Act has been defined very broadly to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and any place visited by the employee arising out of or during the course of employment.

### **Industrial Disputes Act, 1947 (“ID Act”)**

The ID Act was enacted to make provisions for, inter alia, the investigation and settlement of industrial disputes. Industrial dispute under the ID Act means any dispute or difference between employers and employees, or between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person. The ID Act enumerates the contingencies when a strike or lock-out can be lawfully resorted to, when they can be declared illegal or unlawful, conditions for laying off, retrenching, discharging or dismissing a workman, circumstances under which an industrial unit can be closed down and other matters related to industrial employees and employers.

### **The Code on Social Security, 2020 (“Social Security Code”)**

The Government of India enacted The Code on Social Security, 2020 which received the assent of the President of India. The provisions of this code will be brought into force on a date to be notified by the Central Government, with certain of the provisions thereunder notified already. The code proposes to subsume, inter alia, the Employees Compensation Act, 1923, the Employees, State Insurance Act, 1948, the Employees Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The Ministry of Labour and Employment, Government of India has notified the draft rules relating to Employees Compensation under the Code on Social Security, 2020 on June 3, 2021, inviting objections and suggestions, if any, from the stakeholders. Further, draft rules under the Code on Social Security, 2020 were notified on November 13, 2020. The draft rules propose to subsume, inter alia, the Employees State Insurance (Central) Rules, 1950 and the Payment of Gratuity (Central) Rules, 1972.

### **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 Wages, 2019 (the “Wage Code”)**

The Government of India enacted The Code on Wages, 2019 which received the assent of the President of India. The code proposes to subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936. The provisions of this code will be brought into force on a date to be notified by the Central Government, with certain of the provisions thereunder notified already. In pursuance of the code, the Code on Wages (Central Advisory Board) Rules, 2021 have been notified, which prescribe, inter alia, the constitution and functions of the Central Advisory Board set up under the Code on Wages, 2019.

### **Certain other Labour laws and regulations that may be applicable to our Company include the following:**

- Child Labour (Prohibition and Regulation) Act, 1986;
- Equal Remuneration Act, 1976;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- Minimum Wages Act 1948;
- Payment of Bonus Act, 1965;
- The Maternity Benefit Act, 1961;
- Trade Union Act, 1926;
- Public Liability Insurance Act, 1991

### **INTELLECTUAL PROPERTY LAWS**

Certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000 are also applicable to us.

The Copyright Act, 1957 (the “Copyright Act”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

The Trademarks Act, 1999 (the “Trademarks Act”) provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

Under statute, India provides for the patent protection under the Patents Act, 1970 (the “Patents Act”). The Patents Act governs the patent regime in India and recognizes process patents as well as product patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Patents Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

The Designs Act, 2000 (the “Designs Act”) protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

## **GENERAL LAWS**

### **Indian Contract Act**

The Indian Contract Act codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract.

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

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

### **The Companies Act, 2013**

The Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between the set of competing factors, namely, management autonomy and investor protection.

### **The Specific Relief Act, 1963**

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. “Specific performance” means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

## **OTHER LAWS:**

In addition to the above, our Company is also required to comply with the provisions of the SEBI regulations and rules framed thereunder, and other applicable statutes enacted by the Government of India or relevant state governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

## **HISTORY AND CORPORATE STRUCTURE**

### **Brief History and Background**

Our Company was originally incorporated on June 30, 2021 as “Jay Kailash Namkeen (OPC) Private Limited” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently our Company had acquired the running business of “Kailash Namkeen” a proprietorship firm through Business Transfer Agreement dated July 26, 2021.

M/s. Kailash Namkeen was a Proprietorship firm of Nishitbhai Navinbhai Sonchhatra formed on December 01, 2011 and engaged in manufacturing of Namkeen in Rajkot, Gujarat. Due to demise of Mr. Nishitbhai Navinchandra Sonchhatra on April 17, 2021, business of Kailash Namkeen was taken over by our Company vide Business Transfer Agreement dated July 26, 2021 through legal heir Mrs. Shilpaben Nishitbhai Sonchhatra (wife of Nishitbhai Navinchandra Sonchhatra).

Further the name of our Company was changed from “Jay Kailash Namkeen (OPC) Private Limited” to “Jay Kailash Namkeen Private Limited” and fresh certificate of incorporation dated May 25, 2022 was issued by, Registrar of Companies, Ahmedabad pursuant to conversion of one-person company to private company.

Subsequently our Company was converted into Public Limited Company and name of company was changed from “Jay Kailash Namkeen Private Limited” to “Jay Kailash Namkeen Limited” vide fresh certificate of incorporation dated June 24, 2022 issued by the Registrar of Companies, Ahmedabad.

Our Company was originally promoted by Neel Narendrabhai Pujara who was the initial subscriber to the Company’s Memorandum and Articles of Association and is the present promoter of our Company.

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled “*Industry Overview*”, “*Our Business*”, “*Our Management*”, “*Financial information of our company*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 91, 104, 126, 145, and 170 respectively.

### **Address of Registered Office:**

The Registered Office of the Company is situated at Aji Vashahat GIDC A/15, Rajkot, 360003, Gujarat, India.

### **Changes in Registered Office of the Company since incorporation**

There has not been any change in our Registered Office since incorporation till date of this Draft Red Herring Prospectus.

### **Our Main Object**

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

To carry on in India or elsewhere the business to manufacture, process, prepare, disinfect, fermentate, compound, mix, clean, wash, crush, grind, segregate, pack, repack, add, remove, heat, grade, preserve, freeze, distillate, improve, buy, sell, resale, import, export, transport, store, distribute, dispose, develop, handle, manipulate, market, supply and to act as agents, jobworker, representative, consultant, collaborator, stockists, jobworker, or otherwise to deal in all types, descriptions, tastes, uses and packs of consumer edible items, their byproducts, ingredients, derivatives, residues,

including raw, semi-finished products, seeds products, all type of namkeens, other extruded products, etc.

### Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	Conversion of Company into Private limited Company and Change in the name of company from Jay Kailash Namkeen (OPC) Private Limited to Jay Kailash Namkeen Private Limited.	April 14, 2022	EOGM
2.	Increase in Authorised Capital of the Company from ₹ 1,00,000 (One Lakh) divided into 10,000 equity shares of ₹10 each to ₹4,00,00,000 (Rupees Four Crore) divided into 40,00,000 equity shares of ₹10 each	May 25, 2022	EOGM
3.	Conversion of Company into Public limited Company and change in name of company from Jay Kailash Namkeen Private Limited to Jay Kailash Namkeen Limited vide fresh Certificate of Incorporation issued by Registrar of Companies, Ahmedabad dated June 24, 2022	June 06, 2022	EOGM
4.	Increase in Authorised Capital of the Company from. ₹ 4,00,00,000 (Rupees Four crore) divided into 40,00,000 equity shares of ₹10 each to ₹5,00,00,000 (Rupees Five Crore) divided into 50,00,000 equity shares of ₹ 10/- each	January 02, 2023	EOGM

### Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-Ordinary General Meeting of the Company dated June 06, 2022.

### Key Events and MileStones

Year	Key Events / Milestone / Achievements
2021	Incorporation of the Company in the name and style of “Jay Kailash Namkeen (OPC) Private Limited”
2021	Acquired the Running Business of “Kailash Namkeen” vide Business Transfer Agreement dated July 26, 2021.
2022	Converted into Private Limited Company and Changed the name of Company from Jay Kailash Namkeen (OPC) Private Limited to Jay Kailash Namkeen Private Limited
2022	Converted into Public Limited Company vide fresh certificate of incorporation dated June 24, 2022

### Other Details about our Company

For details of our Company’s activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” and “*Basis for Issue Price*” on pages 104, 170 and 80 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoter, please refer

to sections titled “*Our Management*” and “*Capital Structure*” beginning on pages 126 and 60 of this Draft Red Herring Prospectus respectively.

### **Acquisition of Business/Undertakings & Amalgamation**

Except as disclosed in this Draft Red Herring Prospectus, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

### **Holding Company**

As on the date of this Draft Red Herring Prospectus, there are no holding company of our Company.

### **Subsidiary of our Company**

As on the date of this Draft Red Herring Prospectus, there are no subsidiary of our Company.

### **Capital raising (Debt / Equity)**

For details in relation to our capital raising activities through equity, please refer to the chapter titled “*Capital Structure*” beginning on page 60 of this Draft Red Herring Prospectus. For details of our Company’s debt facilities, please refer section “*Financial Information of our Company*” on page 145 of this Draft Red Herring Prospectus.

### **Time and Cost overruns in setting up projects**

There has been no time / cost overrun in setting up projects by our Company.

### **Injunction or restraining order**

There are no injunctions/ restraining orders that have been passed against the Company.

### **Revaluation of Assets**

Our Company has not revalued its assets since incorporation

### **Defaults or Re-scheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of this Draft Red Herring Prospectus. Furthermore, except as disclosed in chapter titled “*Capital Structure*” beginning on Page 60 of this Draft Red Herring Prospectus, none of the Company's loans have been converted into equity in the past.

### **Lock-out or strikes**

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

### **Shareholders of our Company:**

Our Company has Seven (7) shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 60 of this Draft Red Herring Prospectus.



## **Changes in the Management**

For details of change in Management, please see chapter titled “*Our Management*” on page 126 of this Draft Red Herring Prospectus.

## **Changes in activities of our Company during the last five (5) years**

There has been no change in the business activities of our Company during last five (5) years from the date of this Draft Red Herring Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled “Management’s discussion and analysis of financial conditions & results of operations” beginning on page 170 of this Draft Red Herring Prospectus.

## **Shareholders Agreements**

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

## **Collaboration Agreements**

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

## **Material Agreement**

“M/s. Kailash Namkeen”, a proprietorship firm, was founded by Nishitbhai Navinbhai Sonchhatra, and engaged in the business of manufacturing Namkeen in Rajkot, Gujarat. However, following the passing of Nishitbhai Navinchandra Sonchhatra on April 17, 2021, our company acquired the business through his legal heir, Shilpaben Nishitbhai Sonchhatra (wife of Nishitbhai Navinchandra Sonchhatra), via a Business Transfer Agreement executed on July 26, 2021.

## **OTHER AGREEMENTS**

### **Non-Compete Agreement**

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

### **Joint Venture Agreement**

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

### **Strategic Partners**

Except as mentioned in this Draft Red Herring Prospectus, Our Company does not have any strategic partners as on the date of this Draft Red Herring Prospectus.

### **Financial Partners**

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

## **Corporate Profile of our Company**

For details on the description of our Company’s activities, the growth of our Company, please see “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” and “*Basis for Issue Price*” on pages 104, 170 and 80 of this Draft Red Herring Prospectus.

## OUR MANAGEMENT

**Board of Directors:** As per the Articles of Association, our Company is required to have not less than Three (3) Directors and not more than Fifteen (15) Directors. Currently, our Company have Five (5) directors of which two (2) are Independent Directors and one (1) is Non - Executive Director.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Prospectus:

S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
1.	<b>Neel Narendrabhai Pujara</b> <b>Father Name:</b> Narendrabhai Bhagvanjibhai Pujara <b>Date of Birth:</b> May 22, 1997 <b>Age:</b> 25 Years <b>Designation:</b> Chairman cum Managing Director <b>Address:</b> Flat 402C, Man Mandir Apartment, Ashapura Mataji Mandir, Pelesh Road, Rajkot-360001, Gujarat, India. <b>Experience:</b> 10 Years <b>Occupation:</b> Business <b>Qualifications:</b> Matriculation <b>Nationality:</b> Indian <b>DIN:</b> 09221477	Originally appointed on the Board as Director w.e.f. June 30, 2021.  Further designated as Chairman cum Managing Director w.e.f. June 27, 2022 not liable to retire by rotation.	28,47,531 Equity Shares; 97.07% of Pre-Issue Paid up capital	• Deeva Gift Articles (OPC) Private Limited
2.	<b>Tulsi Neel Pujara</b> <b>Father Name:</b> Hasmukhbhai Narrottamdas Bhagdev <b>Date of Birth:</b> July 30, 1990 <b>Age:</b> 31 Years <b>Designation:</b> Whole-Time Director <b>Address:</b> Flat 402C, Man Mandir Apartment, Pelesh Road, Ashapura Mataji Mandir, Rajkot-360001, Gujarat, India. <b>Experience:</b> 3 Years <b>Occupation:</b> Business <b>Qualifications:</b> Bachelor of Business Administration <b>Nationality:</b> Indian <b>DIN:</b> 09560733	Originally appointed on the Board as Director w.e.f. April 05, 2022.  Further designated as Whole-Time Director w.e.f. June 27, 2022 liable to retire by rotation.	5,867 Equity Shares; 0.20% of Pre- Issue Paid up capital.	-
3.	<b>Hasmukhrai Bhagdev Narottamdas</b> <b>Father Name:</b> Narottamdas Maganlal Bhagdev	Appointed as Non-Executive Director w.e.f. June 27, 2022 not liable to retire by	587 Equity Shares; 0.02% of Pre- Issue Paid up capital.	-

S. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
	<b>Date of Birth:</b> October 03, 1961 <b>Age:</b> 60 Years <b>Designation:</b> Non-Executive Director <b>Address:</b> Plot no-23 AB, Shiv Sangam Residency, Behind Adani Market, 150 Feet Ring Road, Rajkot-360007, Gujarat, India. <b>Experience:</b> 40 Years <b>Occupation:</b> Business <b>Qualifications:</b> NA <b>Nationality:</b> Indian <b>DIN:</b> 02454992	rotation		
4.	<b>Rakeshbhai Dhirajlal Popat</b> <b>Father Name:</b> Dhirajlal Jashraj Popat <b>Date of Birth:</b> November 02, 1969 <b>Age:</b> 52 Years <b>Designation:</b> Independent Director <b>Address:</b> Narayan Nagar Main Road, Pedak Road, Rajkot Gujarat- 360003, India. <b>Experience:</b> 8 Years <b>Occupation:</b> Business <b>Qualifications:</b> Matriculation <b>Nationality:</b> Indian <b>DIN:</b> 09630091	Appointed on the Board as Additional Director w.e.f. June 03, 2022.  Further designated as Independent Director w.e.f. June 27, 2022 liable to retire by rotation	NIL	NIL
5.	<b>Mitul Vinodbhai Undhad</b> <b>Father Name:</b> Vinodbhai Unhad <b>Date of Birth:</b> March 31, 1999 <b>Age:</b> 23 Years <b>Designation:</b> Independent Director <b>Address:</b> Block No-96, Street No-3, B/H, Reliance Mall, Shivshangam Society, 150 Ring Road, Rajkot, Gujarat- 360007, India <b>Experience:</b> 2 Years <b>Occupation:</b> Service <b>Qualifications:</b> Bachelor of Engineering <b>Nationality:</b> Indian <b>DIN:</b> 09643456	Appointed as Independent Director w.e.f. June 27, 2022 not liable to retire by rotation	NIL	NIL

## **BRIEF PROFILE OF OUR DIRECTORS**

**Neel Narendrabhai Pujara**, aged 25 years, is Chairman & Managing Director and Promoter of our Company. He holds Matriculation degree from Gujarat Secondary and Higher Secondary Education Board. He was appointed on the Board on June 30, 2021 and further designated as the Chairman and Managing Director of the Company on June 27, 2022 for a period of 5 years. He plays a vital role in formulating business strategies and its effective implementation. He is responsible for the expansion and overall management of the business of our Company. With the experience of around six years in Indian Packaged food industry in FMCG, he brings a unique set of skills on the table. His dedication towards quality and drive to make a positive impact are evident in everything he does. He is a valuable asset to our company bring hands on experience in leading a team, developing new products and streamlining processes. His leadership abilities have been instrumental in leading the core team of our Company.

**Tulsi Neel Pujara**, aged 31 years, the Whole-Time Director and Chief Financial officer (CFO) of our Company, is an individual with an experience of 3 years in the field of administration and finance. She holds degree in Bachelor of Business Administration from Saurashtra University. She was originally appointed on the Board on April 05, 2022 and further designated as Whole-Time Director w.e.f. June 27, 2022. She handle Admin and finance department of our Company.

**Hasmukhrai Bhagdev Narottamdas**, aged 60 years is Non-Executive Director of our Company. He was appointed on the Board on June 27, 2022. He has experience of 40 years in the transportation business. He manage the business of Jalaram Transport, a partnership firm. He is a partner in SMS security since its inception in 2014. His experience is vital for transport and logistics part of our company.

**Rakeshbhai Dhirajlal Popat**, aged 52 years is Independent Director of our Company. He was appointed on the Board on June 03, 2022 as Additional Director and further designated as the Independent Director of the Company on June 27, 2022 for a period of 5 years. He is a self-employed person, managing R D films, Proprietorship firm since last 10 years.

**Mitul Vinodbhai Undhad**, aged 23 years is Independent Director of our Company appointed on June 27, 2022 for 5 years. He holds a diploma and a degree in Civil Engineering from Gujarat Technology University. He is currently employed as a Manager in Payal Metal Industries, since May 2019.

## **Confirmations**

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

<b>Name</b>	<b>Relationship</b>
Tulsi Neel Pujara and Neel Narendrabhai Pujara	Tulsi Neel Pujara is wife of Neel Narendrabhai Pujara
Hasmukhrai Bhagdev Narottamdas and Neel Narendrabhai Pujara	Hasmukhrai Bhagdev Narottamdas is father of Neel Narendrabhai Pujara
Hasmukhrai Bhagdev Narottamdas and Tulsi Neel Pujara	Hasmukhrai Bhagdev Narottamdas is Father-in-law of Tulsi Neel Pujara

- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a director.

- The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a wilful defaulter or Fraudulent Borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.
- None of the Promoters or Directors has been or is involved as a promoter or director 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.
- None of our Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Red Herring Prospectus during the term of his/ her directorship in such company.
- None of the abovementioned Directors have been declared a Fugitive Economic Offender under section 12 of the Fugitive Economic Offender Act, 2018.
- None of our Directors were or are directors on the board of listed companies which have been or were delisted from any stock exchange(s) during their term of directorship in such company.
- Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other regulatory authority.

#### **Compensation of our Managing Director and Whole Time Director:**

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

Neel Narendrabhai Pujara is the Promoter and Managing Director of our Company and was re-designated by way of Shareholders' resolution dated June 27, 2022 for a period of 5 years commencing from June 27, 2022 till June 26, 2027. His terms of appointment have been laid down under resolution passed by Shareholders dated June 27, 2022.

The significant terms of his employment are set out below:

Particulars	Neel Narendrabhai Pujara
Re-Appointment / Change in Designation	June 27, 2022
Term of Appointment	5 Years
Remuneration Payable in the FY 2022-23	₹ 12.00 Lakhs p.a.
Remuneration paid for Year 2021-22	Nil

Tulsi Neel Pujara is the Promotor and Whole Time Director of our Company. She was re-designated by way of Shareholders' resolution dated June 27, 2022 for a period of 5 years commencing from June 27, 2022 till June 26, 2027. Her terms of appointment have been laid down under resolution passed by Shareholders dated June 27, 2022.

The significant terms of her employment are set out below:

Particulars	Tulsi Neel Pujara
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Particulars	Tulsi Neel Pujara
Re-Appointment / Change in Designation	June 27, 2022
Term of Appointment	5 Years
Remuneration Payable from FY 2022-23	₹ 6.00 Lakhs p.a.
Remuneration paid for Year 2021-22	NA

The sitting fees/other remuneration of our Directors in Financial Year 2021-22 are as follows:

**Payment or benefits to non-executive non-independent directors and non-executive independent directors of our company:**

Non-Executive Directors of the company – both Independent and Non-Independent - may be paid sitting fee, commission, and any other amounts as may be decided by our board in accordance with the provisions of the Articles of Association, the Companies Act, and other applicable laws & regulations. None of our Non-Executive Directors (both Independent and Non-Independent) have received any remuneration/ compensation during preceding financial year.

**Payment of non-salary related benefits**

Except as stated under “Remuneration details of our executive directors” and “Payment or benefits to non-executive non-independent directors and non-executive independent directors of our company” and except as disclosed below, no amount or benefit has been paid or given in the last two (2) years preceding the date of this Draft Red Herring Prospectus to any officer of our Company including our directors and key management personnel:

For further details, please refer to the “*Restated Financial Statement of Related Party Transaction*” under chapter titled “*Financial Statements*” beginning on page 145 of this Draft Red Herring Prospectus.

**SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY**

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Neel Narendrabhai Pujara	28,47,531	97.07
2.	Tulsi Neel Pujara	5,867	0.20
3.	Hasmukhrai Bhagdev Narottamdas	587	0.02

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.

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

**Shareholding of Directors in our Associate company**

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

**Appointment of relatives of our Directors to any office or place of profit**

Except in the capacity of director and shareholder, none of the relatives of our Directors currently holds any office or place of profit in our Company.

**Bonus or Profit-Sharing Plan for our Directors**

We have no bonus or profit-sharing plan for our Directors.

### **Details of Borrowing Powers of Directors**

Our Company has passed a Special Resolution in the Extra-ordinary General Meeting of the members held on June 27, 2022, authorizing the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of ₹ 100 Crore (Rupees One Hundred Crore only).

### **INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer- *“Compensation of our Managing Director and Whole Time Director”* above, under chapter titled *“Our Management”* beginning on page 126 of this Draft Red Herring Prospectus

Our directors may also be regarded as interested their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives.

Further our director may also be interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our directors may also be interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section *“Our Management”* or the section titled *“Restated Financial Statement - Related Party Transactions”* beginning on page 126 and 145 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our directors do not have any other interest in our business.

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

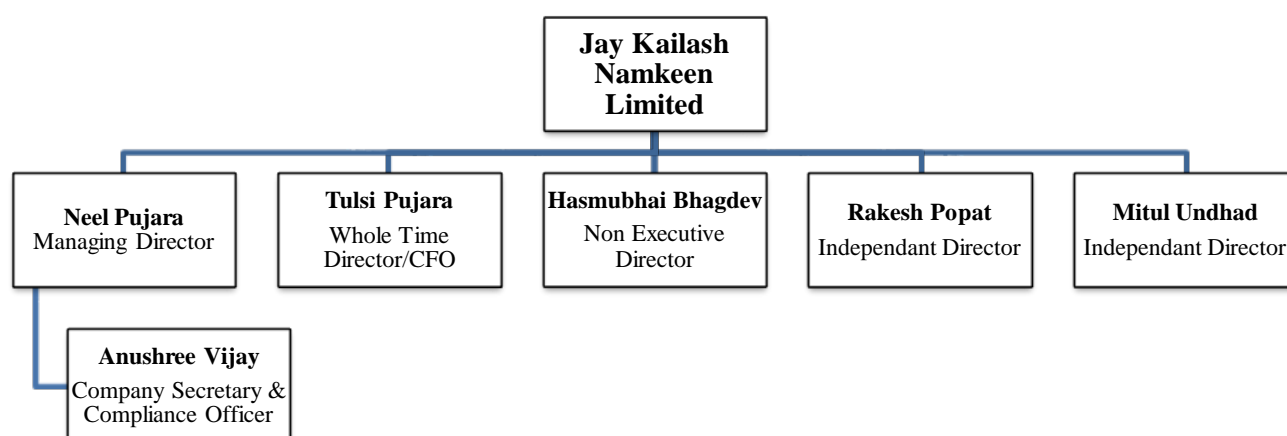
Except as disclosed above and in the chapters titled *“Our Business”* and *“Restated Financial Statement – Related Party Transactions”* and *“History and Corporate Structure”* on page 104, 145 and 122 respectively of this Draft Red Herring Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Draft Red Herring Prospectus.

### **CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS**

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Neel Narendrabhai Pujara	June 30, 2021	Appointed as Director
2.	Tulsi Neel Pujara	April 05, 2022	Appointed as additional Director
3.	Rakeshbhai Dhirajlal Popat	June 03, 2022	Appointed as additional Director
4.	Neel Narendrabhai Pujara	June 27, 2022	Re-designated as Chairman & Managing Director
5.	Tulsi Neel Pujara	June 27, 2022	Re-designated as Whole-Time Director
6.	Rakeshbhai Dhirajlal Popat	June 27, 2022	Re-designated as Independent Director
7.	Hasmukhrai Narottamdas Bhagdev	June 27, 2022	Appointed as Non-Executive Director
8.	Mitul Vinodbhai Undhad	June 27, 2022	Appointed as Independent Director

### **MANAGEMENT ORGANISATION STRUCTURE**

The following chart depicts our Management Organization Structure: -



### **COMPLIANCE WITH CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of NSE. The requirements pertaining to constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Five (5) directors of which two (2) are Executive Directors, two (2) are Independent Directors and one (1) is Non-Executive Director, Our Company has constituted the following committees:



## 1. Audit Committee

Our Company has constituted an Audit Committee (“Audit Committee”), vide Board Resolution dated July 15, 2022, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company’s Equity shares on stock exchange, the constituted Audit Committee comprises following members:

Name of the Director	Designation	Nature of Directorship
Mitul Vinodbhai Undhad	Chairman	Independent Director
Rakeshbhai Dhirajlal Popat	Member	Independent Director
Neel Narendrabhai Pujara	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

**A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

**B. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two independent members at each meeting.

**C. Role and Powers:** The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
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 and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
  - matters required to be included in the director’s responsibility statement to be included in the board’s report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
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. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the listed entity with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the listed entity, 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 of any significant findings and follow up there on;
  15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
  16. Discussing with the 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. 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;
  18. 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;
  19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
  20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  21. To review the functioning of the whistle blower mechanism;
  22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
  23. Audit committee shall oversee the vigil mechanism.
  24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
  25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f. Statement of deviations:
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## **2. Stakeholders Relationship Committee**

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulations, 2015 as amended vide Resolution dated July 15, 2022. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Designation	Nature of Directorship
Mitul Vinodbhai Undhad	Chairman	Independent Director
Rakeshbhai Dhirajlal Popat	Member	Independent Director
Tulsi Neel Pujara	Member	Whole-Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. **Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. **Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. **Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
  - Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
  - Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
  - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
  - Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
  - Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
  - Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
  - Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

### 3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulations, 2015 as amended vide Resolution dated July 15, 2022. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Designation	Nature of Directorship
Rakeshbhai Dhirajlal Popat	Chairman	Independent Director
Mitul Vinodbhai Undhad	Member	Independent Director
Hasmukhrai Narottamdas Bhagdev	Member	Non-Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**B. Meetings:** The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

**C. Role of Terms of Reference:**

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- 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;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- To formulate and administer the Employee Stock Option Scheme.

**BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL**

In addition to our Managing Director, Neel Narendrabhai Pujara and Tulsi Neel Pujara, whose details are provided under "*Brief biographies of the Directors*" beginning on page 126 of this Draft Red Herring Prospectus, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

Name, Designation & Educational Qualification	Age (Year)	Date of joining as KMP	Compensation paid for the F.Y ended 2022 (in ₹ Lakhs)	Over all experience (in years)	Previous employment
<b>Name: Anushree Vijay</b> <b>Designation:</b> Company Secretary & Compliance Officer <b>Qualification:</b> Company Secretary	32	Appointed on January 01, 2023	--	2.5 Years	Mahendra Khandelwal & Company – 1 year J.M.environment private limited- 1.5 years

#### RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Apart from Neel Narendrabhai Pujara and Tulsi Neel Pujara who are related to each other as spouse to each other, none of the KMP of the Company are related to each other as per Sec 2 (77) of Companies Act, 2013.

#### We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Neel Narendrabhai Pujara and Tulsi Neel Pujara, are also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued.
- Except for the terms set forth in the appointment Letters the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- Except mentioned above under head of “*shareholding of Directors*” none of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus. Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the industry to which our Company belongs.

#### Payment of Benefits to Officers of our Company (non-salary related)

Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its employees including amounts towards super annuations, ex-gratia/rewards.

#### Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last three years except as stated below:

Sr. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
1.	Neel Narendrabhai Pujara	Managing Director	June 27, 2022	Re-designated as Chairman Managing Director
3.	Tulsi Neel Pujara	Chief Financial Officer	July 15, 2022	Appointment as CFO
4.	Anushree Vijay	Company Secretary and Compliance Officer	January 01, 2023	Appointment as Company Secretary and Compliance Officer

#### **INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY**

Apart from shares held in the Company, and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our Key managerial personal are interested in our Company.

Except as provided in this Draft Red Herring Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft Red Herring Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to “Annexure 23 - Statement of Related Party Transaction” under chapter “Restated Financial Statement” on page 145 of this Draft Red Herring Prospectus.

#### **OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL**


Except as stated in this Draft Red Herring Prospectus, there are no other benefits payable to our Key Managerial Personnel.

## OUR PROMOTER & PROMOTER GROUP

Neel Narendrabhai Pujara is the Promoter of our Company.

As on the date of this Draft Red Herring Prospectus Neel Narendrabhai Pujara is holding 28,47,531 Equity Shares which constitute 97.07% of the issued and paid-up Equity Share capital of our Company. Our Promoter and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

### Details of our Promoter: -

	<b>Neel Narendrabhai Pujara, Chairman &amp; Managing Director</b>	
	<b>Qualification</b>	Matriculation
	<b>Date of Birth</b>	22/05/1997
	<b>Age</b>	25 Years
	<b>Address</b>	Flat No 402C, Man Mandir Apartment, Pelesh Road, Ashapura Mataji Mandir, Rajkot - 360001, Gujarat, India.
	<b>Experience</b>	6 Years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	CVQPP6284E
	<b>No. of Equity Shares held in Jay Kailash [% of Shareholding (Pre-Issue)]</b>	28,47,531 Equity Shares of ₹ 10 each; 97.07% of Pre- Issue Paid up capital
	<b>DIN</b>	09221477
	<b>Other Interests</b>	<b>Companies:</b> <ul style="list-style-type: none"> <li>Deeva Gift Articles (OPC) Private Limited</li> </ul> <b>Proprietorship</b> <ul style="list-style-type: none"> <li>Komal Handicraft</li> </ul>

### Declaration

*We confirm that the Permanent Account Number, Bank Account Number, Aadhar Card Number, Passport Number and Driving License of the Promoter which are available have been submitted to NSE at the time of filing of Draft Red Herring Prospectus with them.*

*Present Promoter of Our Company is Neel Narendrabhai Pujara who was also the Initial subscribers to the MoA of our Company. For details of the shareholding acquired by the current promoter of our Company refer the capital buildup of our Promoter under chapter "Capital Structure" beginning on page 60 of this Draft Red Herring Prospectus.*

### Undertaking/ Confirmations

None of our Promoter or Promoter Group or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

- No material regulatory or disciplinary action is taken by any stock exchange or regulatory authority in the past one year in respect of our Promoter, Group Company and Company promoted by the promoter of our company.
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoter, Group Company and Company promoted by the promoter during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoter, Group company and Company promoted by the Promoter are disclosed in chapter titled “Outstanding Litigations and Material Developments” beginning on page 179 of this Draft Red Herring Prospectus.
- None of our Promoter, person in control of our Company is or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.
- Further, neither our Promoter, the promoter group members nor our Group Company have been declared as a wilful defaulter or a fraudulent borrower by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

#### **Common Pursuits/ Conflict of Interest**

There is no other entity/ Group Companies which are engaged in similar line of business as our Company as on date of this Draft Red Herring Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

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

Neel Narendrabhai Pujara is Promoter of our company. Our Promoter is interested in our Company to the extent that he has promoted our Company and to the extent of their respective Equity shareholding in our Company and any dividend distribution that may be made by our Company for any other distribution with respect to their Equity Shares in the future. For details pertaining to our Promoters' shareholding, please refer to section titled “*Capital Structure*” beginning on page 60 of this Draft Red Herring Prospectus.

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

Our Promoter does not have any interest in any property acquired in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery. For further details, please refer to chapter titled “Our Management” and “Annexure 23- Related Party Transactions” in the chapter titled “Restated Financial Information” beginning on page 126 and 145 respectively of this Draft Red Herring Prospectus.

#### **Interest as Member of our Company**

As on the date of this Draft Red Herring Prospectus, our Promoter and Promoter Group collectively hold 28,90,746 of our Company and is therefore interested to the extent of their shareholding in our Company. Except to the extent of shareholding of the Promoter and Promoter Group Member in our Company and benefits as provided in the section titled “Our Management” in that Remuneration



details of our Directors on page 126, our Promoter and Promoter Group Member does not hold any other interest in our Company.

### **Interest as Director and Key Managerial Personnel of our Company**

Our Promoter, Neel Narendrabhai Pujara, Managing Director hence is Key Managerial Personnel of the Company and is thus deemed to be interested to the extent of professional charges paid or payable to him by the Company for the professional services rendered by him to the Company. For further details, please refer to chapter titled “*Annexure 23- Related Party Transactions*” in the chapter titled “*Financial Statements*” beginning on page 145 of this Draft Red Herring Prospectus.

### **Interest as part of Promoter group entities**

Our Promoter is also Directors on the board, or are shareholders, members of promoter group entities, has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to such entities forming part of the Promoter Group, and such other entities. For the payments that are made by our Company to certain entities forming part of the Promoter Group and other related parties, see “*Offer Document Summary - Summary of Related Party Transactions*” page 23.

### **Change in Control of our Company**

Neel Narendrabhai Pujara is original Promoter of our Company. Since then there has not been any change in the management or control of our Company.

### **Experience of Promoter in the business of our Company**

For details in relation to experience of our Promoter in the business of our Company, please refer the chapter titled “*Our Management*” beginning on page 126 of this Draft Red Herring Prospectus.

### **Related Party Transactions**

Except as stated in the Chapter titled “*Financial Information*” on page 145 of this Draft Red Herring Prospectus, our Company has not entered into related party transactions with our Promoter.

### **Payment of amounts or benefits to the Promoter or Promoter Group During the last two years**

Except as stated in the Chapter titled “*Financial Information*” on page 145 of this Draft Red Herring Prospectus, there has been no payment of amounts or benefits to our Promoter or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus.

### **Material Guarantees provided by our Promoter**

There are no material guarantees given by our Promoter to third parties with respect to specified securities of the Company as on the date of this Draft Red Herring Prospectus.

### **Companies / Firms from which the Promoter have disassociated themselves in the last (3) three years**

Our Promoter has not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

### **Litigation details pertaining to our Promoter**

There is no outstanding litigation against our Promoter except as disclosed in the section titled “*Risk Factors*” and “*Outstanding Litigation and Material Developments*” beginning on page 28 and 179 of this Draft Red Herring Prospectus.

## OUR PROMOTER GROUP

### (a) Individual Promoter Group of our Promoter

Relationship	Neel Narendrabhai Pujara
Father	Narendra Bhagvanji Pujara
Mother	Shilpaben Narendra Pujara
Spouse	Tulsi Neel Pujara
Brother	-
Sister	Komal Vishal Karia
Son	Dharv Pujara*
Daughter	Deeva Pujara*
Spouse's Father	Hasmukhrail Narottamdas Bhagdev
Spouse's Mother	Daxa Has mukhbhai Bhagdev
Spouse's Brother	Niraj Has mukhbhai Bhagdev
Spouse's Sister	Ekta Has mukhbhai Bhagdev
	Namrata Has mukhbhai Bhagdev

\* abovementioned promoter group members are minors and not holding PAN.

## 2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

Sr. No.	Name of Entities	PAN
1.	Deeva Gift Articles (OPC) Private Limited	AAJCD0662K
2.	Komal Handicrafts	AELPP3306H
3.	Jalaram Transport Co	AAIFJ2986L
4.	SMS Security Service	ACGFS0069P

Other than as disclosed here, our Company has no companies or entities that form part of our Promoter Group.

## Shareholding of the Promoter Group in our Company

For details of Shareholding of members of our promoter group as on the date of this Draft Red Herring Prospectus see Section titled “*Capital Structure*” on page 60

## OUR GROUP COMPANIES

As per the SEBI ICDR Regulations, 2018 for the purpose of identification of Group Companies, our Company has considered companies covered under the Accounting Standard 18 as per Restated Financial Statements (other than our Subsidiary Company if any) and other companies considered material by our Board with which our Company has had related party transactions during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

Pursuant to a resolution of our Board dated January 02, 2023 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if Such company forms part of the Promoter Group of our Company in terms of Regulation of the SEBI ICDR Regulations and Companies who entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

Based on the above, our Company does not have “*Group Companies*” in terms of the definition provided for above, as on date of this Draft Red Herring Prospectus.

## **DIVIDEND POLICY**

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The declaration of dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company and any other factors considered by our Board of Directors. The Articles of Association also provides discretion to our Board to declare and pay interim dividends.

All dividend payments are made in cash to the Shareholders of our Company. Our Company has not adopted any Dividend Distribution Policy as on the date of this Draft Red Herring Prospectus since the requirements under Regulation 43A of SEBI Listing Regulations are not applicable to the Company. However, depending upon the availability of distributable profits and fund flow, dividends maybe recommended by the Board of Directors and shall pay dividends in accordance with the provisions of the Companies Act, 2013, the Memorandum of Association and Articles of Association and other Applicable Laws.

Our Company has not declared and/or paid any dividend on the Equity Shares since incorporation.

## SECTION V- FINANCIAL INFORMATION OF OUR COMPANY

### RESTATED FINANCIALS STATEMENTS

#### INDEPENDENT AUDITOR'S REPORT ON RESTATED FINANCIALS STATEMENTS

To,  
The Board of Directors,  
Jay Kailash Namkeen Limited  
Shed No.A-1/5  
Aji vashahat GIDC, Road-C  
Rajkot

Dear Sir,

1. We have examined the attached Restated Financial Information of **Jay Kailash Namkeen Limited** (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at December 31, 2022 and March 31, 2022 the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the Nine months period ended on December 31, 2022 and for the period ended March 31, 2022, the Restated Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on February 03, 2023 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b) Relevant provision of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations");
  - c) The terms of reference to our engagement with the Company requesting us to examine financials statement referred to above and proposed to be included in the DP being issued by the Company for IPO of equity shares in SME Platform; and
  - d) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with, Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Mumbai in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Note 1.2 (i) under Annexure D "Basis of Preparation to the Restated Financial Information". The Board of Directors of the Company are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 25<sup>th</sup> November, 2022 in connection with the proposed IPO of the Company;
- b) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
- d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

- 4. These Restated Financial Statements have been compiled by the management from the Audited Financial Statements of the Company for the Nine month period ended on December 31, 2022 and for the period ended on March 31, 2022, which has been approved by the Board of Directors. The financial statements of the Company for the period ended March 31, 2022 has been audited by M/s. A Y & Company.
- 5. We, M/s. Kumbhat & Co. Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold the peer review certificate No. 012509 having effective date from September 07, 2020 to September 30, 2023.
- 6. For the purpose of our examination, we have relied on:
  - a) Auditors reports issued by us dated February 03, 2023 and by previous auditors dated April 13, 2022 on the financial statements of the Company as at and for the period Nine month ended December 31, 2022 and for the period ended March 31, 2022 respectively.
- 7. Financial Information as per Audited Financial Statements

I. We have examined:

- a) The attached Restated Statement of Assets and Liabilities of the company, as at December 31, 2022, and as at period ended on March 31, 2022. (Annexure A);
- b) The attached Restated Statement of Profits & Losses of the Company for the Period ended on December 31, 2022, and as at period ended on March 31, 2022. (Annexure B);
- c) The attached Restated Statement of Cashflows of the Company for period ended on December 31, 2022 and as at period ended on March 31, 2022. (Annexure C);
- d) The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure D);

(Collectively hereinafter referred as “Restated Financial Statements” or “Restated Summary Statements”)

- II. In accordance with the requirements of Act, SEBI ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:
- a) The “Restated Statement of Assets and Liabilities” as set out in Annexure A to this report, of the Company as at December 31, 2022, and as at period ended on March 31, 2022, are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated, have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure D to this Report.
  - b) The “Restated Statement of Profit and Loss” as set out in Annexure B to this report, of the Company for period ended December 31, 2022 and for the period ended on March 31, 2022 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure D to this Report.
  - c) The “Restated Statement of Cash Flow” as set out in Annexure C to this report, of the Company for period ended December 31, 2022 and for the period ended on March 31, 2022 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure D to this Report.
  - d) Based on the above and also as per the reliance placed by us on the audited financial statements of the company and auditor’s report thereon which have been prepared by us for the Period ended December 31, 2022 and M/s. A Y & Company for period ended on March 31, 2022, we are of the opinion that “Restated Financial Statements” or “Restated Summary Statements” have been made after incorporating:
    - i. Adjustments for any material amounts in the respective financial years have been made to which they relate; and
    - ii. There are no Extra-ordinary items which need to be disclosed separately in the Restated Summary Statements;
    - iii. in accordance with the Act, ICDR Regulations and the Guidance Note.
    - iv. Adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively, if any in the financial years March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications
    - v. There are no revaluation reserves, which need to be disclosed separately in the “Restated Financial Statements”.
    - vi. There are no statutory audit qualifications, on the audited financial statements of the Company as at March 31, 2022 which require any adjustments to the Restated Summary Statements

- i. We have also examined the following financial information as set out in annexure prepare by the management and as approved by the Board of Directors of the Company for the period Nine months ended on December 31, 2022 and for the period ended on March 31, 2022.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Annexures</b>
1	Corporate information as appearing in	1.1
2	Summary of significant accounting policies as appearing in	1.2
3	Restated Statement of Share Capital	2
4	Restated Statement of Reserves and Surplus	3
5	Restated Statement of Long Term Borrowings	4
6	Restated Statement of Deferred Tax Asset/Liabilities	5
7	Restated Statement of Short Term Borrowings	6
8	Restated Statement of Trade Payables	7
9	Restated Statement of Other Current Liabilities	8
10	Restated Statement of Property, Plants and Equipment	9
11	Restated Statement of Inventories	10
12	Restated Statement of Trade Receivables	11
13	Restated Statement of Cash and Cash Equivalents	12
14	Restated Statement of Other Current Assets	13
15	Restated Statement of Revenue from Operations	14
16	Restated Statement of Cost Of Material Consumed	15
17	Restated Statement of Increase/(Decrease) in Stock	16
18	Restated Statement of Employee Benefit Expenses	17
19	Restated Statement of Finance Cost	18
20	Restated Statement of Depreciation and Amortisation Cost	9
21	Restated Statement of Other Expenses	19
22	Restated Statement Of Earnings Per Share	20
23	Restated Statement Of Related Party Transaction	21
24	Restated Statement Of Earning In Foreign Currency (Fob Value)	22
25	Restated Statement Of Expenditure In Foreign Currency	23
26	Material Adjustments And Regroupings To Restated Summary Statements	24
27	Restated Statement Of Accounting Ratios	25
28	Restated Statement Of Tax Shelters	26
29	Restated Statement Of Disclosures of Accounting ratios and reason for variance	27
30	Restated Capitalisation Statement	28

- ii. The Restated Financial Information contains all the disclosures required by the SEBI ICDR regulations and disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
- iii. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
- iv. In our opinion, the above financial information contained in Annexure A to D and Annexure 1 to 28 of this report read along with the Restated Statement of Significant Accounting Policies and Notes as set out in Annexure D are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI ICDR Regulations, The Revised Guidance Note on Reports in



Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (“ICAI”) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.

- v. Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- 8. The Restated Financial Statement do not reflect the effects of events that occurred subsequent to the respectivedates of the reports on the audited financial statements mentioned in paragraph 4 above.
- 9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- 10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 11. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Ahemdabad in connection withthe proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our priorconsent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to anyother person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **KUMBHAT & CO.**  
Chartered Accountants  
Firm Regn. No. 001609S

Place: Mumbai  
Dated: February 03, 2023

Gaurang C. Unadkat  
Partner  
Mem.No. 131708  
UDIN: 23131708BGWGP6378

(Rupees in Lakhs)

See accompanying annexures forming part of the restated financial statement	
<b>For Kumbhat &amp; Co.</b>	<b>For Jay Kailash Namkeen Limited</b>
<b>Chartered Accountants</b>	
<b>FRN: 001609S</b>	
	<b>Managing Director      Executive Director &amp; CFO</b>
	<b>(Neel Pujara)                      (Tulsi Pujara)</b>
<b>Gaurang Unadkat</b>	
<b>Partner</b>	<b>Company Secretary</b>
Membership No. : 131708	<b>(Anushree Vijay)</b>
Place:- Rajkot	Place:- Rajkot
Date:- February 03, 2023	Date:- February 03, 2023

**Jay Kailash Namkeen Limited**  
**Annexure B: Restated Statement of Profit and Loss**

(Rupees in Lakhs)

	Particulars	Note No.	For the period ended on 31st December 2022	For the period ended on 31st March 2022
I	Revenue from operation	14	767.28	725.97
III	<b>Total Revenue ( I + II)</b>		<b>767.28</b>	<b>725.97</b>
IV	<b>Expenses</b>			
	Cost of Material consumed	15	532.13	671.39
	(Increase)/Decrease in Stock	16	50.10	-63.87
	Employee Benefits Expenses	17	8.75	9.20
	Finance Cost	18	3.61	0.14
	Depreciation and Amortisation Cost	9	10.48	7.42
	Other expenses	19	54.94	27.10
	<b>Total Expenses</b>		<b>660.02</b>	<b>651.39</b>
V	<b>Profit before tax Extraordinary and Exceptional Items ( III - IV)</b>		<b>107.26</b>	<b>74.59</b>
VI	<b>Extraordinary Items And Tax ( V- VI )</b>			
	Prior Period Expenses		-	-
VIII	<b>Profit Before Tax</b>		<b>107.26</b>	<b>74.59</b>
VII	Tax Expenses			
	(1) Current Tax		29.53	22.20
	(2) Deferred Tax		-1.96	2.96
VII	<b>Profit (Loss) for the Year</b>		<b>79.70</b>	<b>49.42</b>
VIII	Earning per Equity share :	20		
	(1) Basic		<b>2.72</b>	<b>1.71</b>
	(2) Diluted		<b>2.72</b>	<b>1.71</b>

See accompanying annexures forming part of the restated financial statement

**For Kumbhat & Co.**

**Chartered Accountants**

**FRN: 001609S**

**For Jay Kailash Namkeen Limited**

**Managing Director**  
(Neel Pujara)

**Executive Director & CFO**  
(Tulsi Pujara)

**Gaurang Unadkat**

**Partner**

Membership No. : 131708

Place:- Rajkot

Date:- February 03, 2023

**Company Secretary**

**(Anushree Vijay)**

Place:- Rajkot

Date:- February 03, 2023

**JAY KAILASH NAMKEEN LIMITED**  
**Annexure C: Restated Cash Flow Statement**

	<b>31st December, 2022</b>	<b>31st March, 2022</b>
	Amt in Lakhs	Amt in Lakhs
<b>Cash flow from operating activities</b>		
<b>Profit/(loss) before tax</b>	<b>107.26</b>	<b>74.59</b>
Non-cash adjustments to reconcile profit before tax to net cash flows		
Depreciation	10.48	7.42
Finance Cost	3.61	0.14
<b>Operating profit/(loss) before working capital changes</b>	<b>121.35</b>	<b>82.15</b>
<b>Movements in working capital:</b>		
Increase/(decrease) in other Long Term borrowings	32.80	3.14
Increase/(decrease) in short term borrowings	88.65	10.83
Increase/(decrease) in trade payables	-68.60	105.92
Increase/(decrease) in other current liabilities	6.18	24.07
Decrease/(increase) in Short Term Provisions	-	-
Decrease/(increase) in Long Term Loans and Advances	-	-
Decrease/(increase) in Other Non-current Assets	-	-
Decrease/(increase) in Inventories	-152.09	-105.53
Decrease/(increase) in trade receivables	-77.44	-15.59
Decrease/(increase) in other Current Assets	-88.36	-43.59
<b>Cash generated from Operations</b>	<b>-137.50</b>	<b>61.40</b>
Direct taxes paid	-29.53	-22.20
<b>Net Cash from Operating Activities (A)</b>	<b>-167.03</b>	<b>39.20</b>
<b>Cash flows from investing activities</b>		
Sale/(Purchase) of Fixed Assets	-19.26	-41.21
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>-19.26</b>	<b>-41.21</b>
<b>Cash flow from financing activities</b>		
Increase in share capital	219.00	1.00
Increase in Security Premium	1.00	-
Finance Cost	-3.61	-0.14
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>216.39</b>	<b>0.86</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	30.10	-1.15
Cash and cash equivalents at the beginning of the year	24.75	-
Cash and cash equivalents at the end of the year	54.86	24.75
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>30.10</b>	<b>24.75</b>

See accompanying annexures forming part of the restated financial statement

**For Kumbhat & Co.**  
**Chartered Accountants**  
**FRN: 001609S**

**For Jay Kailash Namkeen Limited**

**Managing Director**      **Executive Director & CFO**  
**(Neel Pujara)**                      **(Tulsi Pujara)**

**Gaurang Unadkat**  
**Partner**  
Membership No. : 131708  
Place:- Rajkot  
Date:- February 03, 2023

**Company Secretary**  
**(Anushree Vijay)**  
Place:- Rajkot  
Date:- February 03, 2023

**JAY KAILASH NAMKEEN LIMITED**  
**Annexure 'D': Notes Forming part of Balances Sheet**  
**as at 31<sup>st</sup> December, 2022**

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**Note 1.1: Corporate Information:**

The Company is incorporated on June 30, 2021 in the name of Jay Kailash Namkeen Limited. The Company is engaged in the business of manufacturing of packaged snacks.

**Note 1.2: Significant Accounting Policies:**

The significant accounting policies followed by the company are stated as below:

**i. Basis of preparation of financial statements**

The Company is a Small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company."

Pursuant to the provisions of section 2(40) of the Companies Act, 2013, the Company has presented a cash flow statement.

Accounting policies not specifically referred to otherwise are in consonance with generally accepted accounting principles followed by the Company.

**ii. Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known / materialise.

**iii. Property, Plant and Equipments and Depreciation**

Fixed assets are stated at Cost less Depreciation. Cost comprises of Purchase price and any attributable cost of bringing the assets to working condition for its intended use.

Depreciation on all assets is charged proportionately from the date of acquisition / installation on written down value basis at rates prescribed in Schedule III of the Companies Act, 2013.

**iv. Impairment of Assets:-**

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss.

## **v. Investments**

Investments are Long-term, unless stated otherwise and are stated at cost except where there is diminution in value other than temporary, in which case a provision is made to the carrying value to recognize the diminution.

## **vi. Revenue recognition:**

### **a) Sale of Goods**

Revenue from sale of goods is recognized when control of the products being sold is transferred to customer and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on the customer terms.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is recognized to the extent that it is highly probable a significant reversal will not occur.

For sale of goods wherein performance obligation is not satisfied, any amount received in advance is recorded as contract liability and recognized as revenue when goods are transferred to customers. Any amount of income accrued but not billed to customers in respect of such contracts is recorded as a contract asset. Such contract assets are transferred to Trade receivables on actual billing to customers. In case customers have the contractual right to return goods, an estimate is made for goods that will be returned and a liability is recognised for this amount using the best estimate based on accumulated experience.

## **vii. Inventories**

### **Raw material, packing material and finished goods**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

Raw materials and packaging materials are valued at lower of cost and net realisable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and

condition. In determining the cost, FIFO method is used.

Manufactured finished goods are valued at the lower of cost and net realisable value. Cost of manufactured finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

#### **viii. Finance Cost**

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

#### **ix. Employee Benefits**

Defined Contribution Plan:

As the Company has number of employees below prescribed limited as specified under The Employees' Provident Funds and Miscellaneous Act, 1952 and The Employees' State Insurance Act, 1948 and hence Defined Contribution Plan is not applicable to the Company.

Defined Benefit Obligation:

As the Company has number of employees below prescribed limited as specified under the Payment of Gratuity Act, 1972 and hence contribution under Defined Benefit Obligation is not applicable to the Company.

The company does not allow accumulation of leaves and hence the Company has not obtained actuarial valuation report for leave encashment.

#### **x. Earnings Per Share**

Basic earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.

#### **xi. Accounting For Taxes on Income**

Tax expense comprises of current and deferred tax. Provision for current tax is made, based on the tax payable under the Income-tax Act, 1961. Deferred tax assets and liabilities from timing differences between taxable income and accounting income is

accounted for using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date.

**xii. Provision's, Contingent Liabilities and Contingent Assets**

The Company recognizes as provisions, the liabilities being present obligation arising out of past events, the settlement of which is expected to result in an outflow of resources which can be measure only by using a substantial degree of estimation.

Contingent liabilities are disclosed by way of notes to the financial statements after careful evaluation by the management of the facts and the legal aspects of the matter involved.

Contingent assets are neither recognized nor disclosed.

**xiii. Cash Flow Statement**

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered bank balances.



**JAY KAILASH NAMKEEN LIMITED**  
**Notes to the Restated Financial Information**

Particulars	As at 31st December 2022		As at 31st March 2022	
<b>ANNEXURE 2: RESTATED STATEMENT OF SHARE CAPITAL</b>				
<b>Authorised</b>				
4000000 Equity Shares of Rs. 10/- each		400.00		1.00
(10000 Equity Shares of Rs 10 /- each)				
<b>Issued Subscribed and paid up Share Capital</b>				
2200000 Equity Shares of Rs 10 /- each fully paid up		220.00		1.00
(10000 Equity Shares of Rs 10 /- each fully paid up)				
		<b>220.00</b>		<b>1.00</b>
<b>ANNEXURE 2.1: Reconciliation of No. of shares Outstanding at the beginning &amp; at the end of the reporting period</b>				
	<b>As at 31st December 2022</b>		<b>As at March 31, 2022</b>	
	<b>No.</b>	<b>Rs.</b>	<b>No.</b>	<b>Rs.</b>
At the beginning of the year	10,000	1.00	-	-
Add: Equity Shares issued during the year	40,000	4.00	10,000	1.00
Add: Bonus shares issued during the year	21,50,000	215.00	-	-
<b>Outstanding at the end of the year</b>	<b>22,00,000</b>	<b>220.00</b>	<b>10,000</b>	<b>1.00</b>
<b>ANNEXURE 2.2: The details of shareholders holding of more than 5% of the aggregate shares of the Company</b>				
	<b>As at 31st December 2022</b>		<b>As at March 31, 2022</b>	
	<b>No. of Shares held</b>	<b>%</b>	<b>No. of Shares held</b>	<b>%</b>
<b>Name of the Promoters and Shareholders</b>				
Mr. Neel Narendrabhai Pujara	21,93,400	99.70	10,000	100.00
<b>Total</b>	<b>21,93,400</b>	<b>99.70</b>	<b>10,000</b>	<b>100.00</b>
<b>Terms/Rights to Equity Shares</b>				
(a) The company has only one class of shares i.e. Equity Share				
(b) All equity shares rank pari-pasu and carry equal right respect to voting and dividend. In the event of liquidation of the company the equity shares holder shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts				
(c) Details of shareholders holding more than 5% of Equity shares of Rs 10 /- each, fully paid up				
<b>ANNEXURE 3: RESTATED STATEMENT OF RESERVES &amp; SURPLUS</b>				
<b>Security Premium</b>				
Opening Balance		-		-
Add: Addition during the year		216.00		-
Less: Bonus shares issue		-215.00		-
<b>Balance at the end of the year</b>		<b>1.00</b>		<b>-</b>
<b>Profit and Loss Account</b>				
Opening Balance		49.42		-
Add : Profit during the year		79.70		49.42
<b>Balance at the end of the year</b>		<b>129.12</b>		<b>49.42</b>
		<b>130.12</b>		<b>49.42</b>
<b>ANNEXURE 4: RESTATED STATEMENT OF LONG-TERM BORROWINGS</b>				
<b>Secured Loan</b>				
Vehicle Loan		1.92		3.14
		<b>1.92</b>		<b>3.14</b>
<b>Vehicle Loan</b>				
Vehicle loan relate to vehicle purchased under financing arrangements with financial institution are secured by way of hypothecation of the vehicle.				
Interest is charged at 18 % p.a. and loan is repayable in tenure of 37 months.				
Maturity profile of secured loan are set out as below:				
<b>Maturity Profile</b>				
<b>1st Year</b>	<b>2nd Year</b>	<b>3rd year &amp; onwards</b>		
<b>1.62</b>	<b>1.76</b>	<b>0.16</b>		
<b>Unsecured Loan :</b>				
<b>From Financial Institution</b>				
Working Capital Demand Loan		34.03		-
		<b>34.03</b>		<b>-</b>
(Includes Unsecured Loan taken from various Financial institutions ranging from interest rate 15% to 22% repayable from the period 1 year to 3 years and the same has been classified as Current and Non-current based on the original tenure of the loan)				
		<b>35.94</b>		<b>3.14</b>
Maturity profile of unsecured loan are set out as below:				
<b>Maturity Profile</b>				
<b>1st Year</b>	<b>2nd Year</b>	<b>3rd year &amp; onwards</b>		
<b>18.24</b>	<b>21.54</b>	<b>12.48</b>		

JAY KAILASH NAMKEEN LIMITED					
Notes to the Restated Financial Information					
Particulars				As at 31st Dec. 2022	As at 31st March 2022
<b><u>ANNEXURE 5 :- RESTATED STATEMENT OF DEFERRED TAX ASSET/LIABILITIES</u></b>					
on account of Depreciation on Fixed Assets				0.99	2.96
				<b>0.99</b>	<b>2.96</b>
<b><u>ANNEXURE 6 :- RESTATED STATEMENT OF SHORT TERM BORROWINGS</u></b>					
<b><u>Secured Loan</u></b>					
Overdraft against Fixed Deposit				9.41	-
<u>Current Maturities of Long Term Debts</u>					
Vehicle loan				1.62	1.53
<b><u>UnSecured Loan</u></b>					
From Directors				50.21	6.30
From Others				20.00	3.00
<u>Current Maturities of Long Term Debts</u>					
Working Capital Demand Loan				18.24	-
				<b>99.48</b>	<b>10.83</b>
<b><u>ANNEXURE 7 :- RESTATED STATEMENT OF TRADE PAYABLES</u></b>					
<b><u>For goods and Services</u></b>					
Dues to MSME				34.76	105.92
Other Payables				28.47	25.91
<b>Total</b>				<b>63.23</b>	<b>131.83</b>
<b><u>Trade Payables ageing schedule as at 31th December 2022</u></b>					
<b>Outstanding for following periods from due date of payment</b>					
<b>Particulars</b>	<b>Less than 1 year</b>	<b>1 to 2 years</b>	<b>2 to 3 years</b>	<b>More than 3 years</b>	<b>Total</b>
MSME	34.76	-	-	-	<b>34.76</b>
Others	28.07	0.40	-	-	<b>28.47</b>
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
<b><u>Trade Payables ageing schedule as at 31st March 2022</u></b>					
<b>Outstanding for following periods from due date of payment</b>					
<b>Particulars</b>	<b>Less than 1 year</b>	<b>1 to 2 years</b>	<b>2 to 3 years</b>	<b>More than 3 years</b>	<b>Total</b>
MSME	105.92	-	-	-	<b>105.92</b>
Others	25.91	-	-	-	<b>25.91</b>
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
<b><u>ANNEXURE 8 :- RESTATED STATEMENT OF OTHER CURRENT LIABILITIES</u></b>					
<b><u>Other Current Liabilities</u></b>					
Audit fees payable				1.00	24.00
Advance from Customer				0.54	110.04
Statutory Dues				0.89	109.01
Salary and Wages Payable				0.84	92.02
Balances with Revenue Authorities (Net of Provisions)				26.97	20.71
<b>Total</b>				<b>30.25</b>	<b>24.07</b>

**JAY KAILASH NAMKEEN LIMITED**  
**NOTES TO THE RESTATED FINANCIAL INFORMATION**  
**ANNEXURE 9: RESTATED STATEMENT OF PROPERTY, PLANT AND EQUIPMENT**

**FY 22-23**

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
ASSETS	As at 1-Apr-2022	Addition	Deduction	As at 31-Dec-2022	Opening Depreciation	Reversal/A	For the Nine months ended	Total	As at 31-Dec-2022	As at 31-Mar-2022
Motor Vehicle	5.04	4.86	-	9.90	0.53	-	2.41	2.93	6.97	4.52
Plant & Machinery	33.90	14.40	-	48.30	6.08	-	7.29	13.37	34.93	27.82
Office Equipments	2.27	0.00	-	2.27	0.81	-	0.79	1.60	0.67	1.46
<b>TOTAL</b>	<b>41.21</b>	<b>19.26</b>	<b>-</b>	<b>60.47</b>	<b>7.42</b>	<b>-</b>	<b>10.48</b>	<b>17.90</b>	<b>42.56</b>	<b>33.79</b>

**FY 21-22**

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
ASSETS	As at 1-Apr-2021	Addition	Deduction	As at 31-Mar-2022	Opening Depreciation	Reversal/A djustments	For the Ten months ended	Total	As at 31-Mar-2022	As at 31-Mar-2021
Motor Vehicle	-	5.04	-	5.04	-	-	0.53	0.53	4.52	-
Plant & Machinery	-	33.90	-	33.90	-	-	6.08	6.08	27.82	-
Office Equipments	-	2.27	-	2.27	-	-	0.81	0.81	1.46	-
<b>TOTAL</b>	<b>-</b>	<b>41.21</b>	<b>-</b>	<b>41.21</b>	<b>-</b>	<b>-</b>	<b>7.42</b>	<b>7.42</b>	<b>33.79</b>	<b>-</b>

JAY KAILASH NAMKEEN LIMITED						
NOTES TO THE RESTATED FINANCIAL INFORMATION						
				As at 31st Dec. 2022	As at 31st March 2022	
<b><u>ANNEXURE 10 :- RESTATED STATEMENT OF INVENTORIES</u></b>						
Closing Stock Of Raw Material and Packing Material				243.85	41.66	
Closing Stock Of Finished Goods				13.77	63.87	
				<b>257.62</b>	<b>105.53</b>	
<b><u>ANNEXURE 11 :- RESTATED STATEMENT OF TRADE RECEIVABLES</u></b>						
<b><u>Unsecured, Considered Good</u></b>						
Over six months from the due date				-	-	
Others				93.03	15.59	
<b>Total</b>				<b>93.03</b>	<b>15.59</b>	
<b><u>Trade Receivables ageing schedule as at 31st Decemeber 2022</u></b>						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed trade receivables - considered good	93.03	-	-	-	-	93.03
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
<b><u>Trade Receivables ageing schedule as at 31st March 2022</u></b>						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed trade receivables - considered good	15.59	-	-	-	-	15.59
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
<b><u>ANNEXURE 12 :- RESTATED STATEMENT OF CASH AND CASH EQUIVALENT</u></b>						
Cash in Hand				43.86	17.53	
<u>Balances with Banks</u>						
Balances in Current Accounts				-	7.23	
Balance in Fixed Deposit				11.00		
<b>Total</b>				<b>54.86</b>	<b>24.75</b>	
<b><u>Annexure 13 :- Other Current Assets</u></b>						
(a) Advance to Suppliers				117.04	38.59	
(b) Prepaid Expenses				10.00	5.00	
<u>Others</u>						
GST Credit				4.90	-	
<b>Total</b>				<b>131.95</b>	<b>43.59</b>	

JAY KAILASH NAMKEEN LIMITED NOTES TO THE RESTATED FINANCIAL INFORMATION		
Particulars	For the period ended on 31st Dec., 2022	For the period ended 31st March 2022
<b><u>ANNEXURE 14 :- RESTATED STATEMENT OF REVENUE FROM OPERATIONS</u></b>		
<b><u>Sales</u></b>		
- Sale of Product	767.28	725.97
<b>Total</b>	<b>767.28</b>	<b>725.97</b>
<b><u>ANNEXURE 15 :- RESTATED STATEMENT OF COST OF MATERIAL CONSUMED</u></b>		
<b><u>Purchases</u></b>		
Opening Stock of Raw Material and Packing Material	41.66	-
Purchases	734.32	713.05
Less: Closing Stock of Raw Material and Packing Material	243.85	41.66
<b>Total</b>	<b>532.13</b>	<b>671.39</b>
<b><u>ANNEXURE 16 :- RESTATED STATEMENT OF INCREASE/(DECREASE) IN STOCK</u></b>		
<b><u>WIP and Finished Goods</u></b>		
Closing Stock	13.77	63.87
Less: Opening Stock	63.87	-
<b>Total</b>	<b>50.10</b>	<b>-63.87</b>
<b><u>ANNEXURE 17 :- RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSES</u></b>		
Salary	8.75	9.20
	<b>8.75</b>	<b>9.20</b>
<b><u>ANNEXURE 18 :- RESTATED STATEMENT OF FINANCE COST</u></b>		
Interest on		
- Working Capital Demand Loan	0.25	0.08
- Car Loan	0.24	-
- Bank Overdraft	1.68	-
Processing Charges Loan	1.08	-
Bank Charges	0.35	0.06
	<b>3.61</b>	<b>0.14</b>

JAY KAILASH NAMKEEN LIMITED NOTES TO THE RESTATED FINANCIAL INFORMATION		
Particulars	For the period ended on 31st Dec., 2022	For the period ended 31st March 2022
<b>ANNEXURE 19 :- RESTATED STATEMENT OF OTHER EXPENSES</b>		
<b>Direct Expenses</b>		
Transport Charges	21.14	12.38
Discount Expenses	1.10	3.80
<b>Indirect Expenses</b>		
Audit Fees	1.26	0.24
Advertisement Expenses	8.91	-
Accounts Fees Expenses	0.48	0.54
Business Promotion Exxpenses	1.12	0.00
Electricity Expense	3.32	2.22
Factory Expenses	1.40	2.58
Insurance Charges	1.19	0.21
Internet Charges	-	0.06
Misc. Expenses	0.02	0.01
Factory Rent	2.25	2.50
Printing & Stationery	0.16	0.15
Professional Fees	3.10	0.27
Repairs & Maintenance	2.68	2.04
Rate & Taxes	6.83	-
Telephone Expenses	-	0.10
	<b>54.94</b>	<b>27.10</b>
<b>ANNEXURE 20 :- RESTATED STATEMENT OF EARNINGS PER SHARE</b>		
Net profit/ (loss) after tax as per Profit and Loss Statement attributable to equity shareholders	79.70	49.42
Total No of equity shares at the end of the year (B)	22.00	21.60
Weighted average number of Equity shares	29.27	28.93
Basic Earnings per Share (Rs.)	2.72	1.71
Diluted Earnings per Share (Rs.)	2.72	1.71
Face value Per Equity Share (Rs.)	10.00	10.00

<b>ANNEXURE 21: RESTATED STATEMENT OF RELATED PARTY TRANSACTION</b> <b>(As certified by management)</b> <b>As per Accounting Standard 18, the disclosures of transactions with the related parties are as under:</b>			
<b>A. Directors of the Company:</b>			
i. Mr. Neel Narendrabhai Pujara			
ii. Mrs. Tulsi Neel Pujara			
iii. Mr. Hasmukhrai N Bhagdev	Non-Executive Director		
iv. Mr. Rakeshbhai Dhirajlal Popat	Independent Director		
v. Mr. Mitul Vinodbhai Undhad	Independent Director		
<b>B. Key Management Personnel:</b>			
1. Mr. Neel Narendrabhai Pujara	Managing Director		
2. Mrs. Tulsi Neel Pujara	Chief Financial Officer		
3. Ms. Anushree Vijay	Company Secretary		
<b>C. Relatives of the Director/s:</b>			
1. Mrs. Tulsi Neel Pujara (Wife of Mr. Neel Narendrabhai Pujara )			
2. Mr. Hasmukhrai N Bhagdev (Father of Mrs. Tulsi Neel Pujara)			
3. Niraj Hasmukhrai Bhagdev (Brother of Mrs. Tulsi Neel Pujara)			
4. Ekta Hasmukhrai Bhagdev (Sister of Mrs. Tulsi Neel Pujara)			
5. Daxa Hasmukhrai Bhagdev (Mother of Mrs. Tulsi Neel Pujara)			
<b>D. Enterprise over which Directors is having significant influence:</b>			
1. Jalaram Transport			
<b>The following transactions were carried out with the related parties in the ordinary course of business (except reimbursement of actual expenses)</b>			
<b>(Rupees in Lakhs)</b>			
	<b>Nature of Transaction</b>	<b>As at 31st Dec., 2022</b>	<b>As at 31st March 2022</b>
<b>A. Key Managerial Person</b>			
<b>(i) Mr. Neel Narendrabhai Pujara</b>			
Opening Balance	Loan from Director	6.30	-
Add: Loan taken		701.67	356.97
Less: Loan repaid		657.76	350.68
Closing balance		<b>50.21</b>	<b>6.30</b>
<b>B. Transactions with entities wherein Key Managerial Personnel have significant influence:</b>			
<b>(i) Jalaram Transport</b>			
Opening Balance	Loan	9.00	-
Add: Loan given		7.00	9.00
Less: Loan repaid		16.00	-
Closing balance		-	<b>9.00</b>
<b>ANNEXURE 22: RESTATED STATEMENT OF EARNING IN FOREIGN CURRENCY (FOB Value)</b>			
	<b>As at 31st Dec., 2022</b>	<b>As at 31st March 2022</b>	
	-	-	
	-	-	
<b>ANNEXURE 23: RESTATED STATEMENT OF EXPENDITURE IN FOREIGN CURRENCY</b>			
	<b>As at 31st Dec., 2022</b>	<b>As at 31st March 2022</b>	
	-	-	
	-	-	
<b>In the opinion of the Board, all the Current Assets and Loans and Advances are approximately of the value stated if they are realised in the ordinary course of business and the adequate provisions are made for all known liabilities including depreciation.</b>			
<b>Previous period figures have been regrouped / re-arranged wherever necessary.</b>			

**ANNEXURE 24: MATERIAL ADJUSTMENTS AND REGROUPINGS TO RESTATED SUMMARY STATEMENTS**

(A) Summarized below are the restatement adjustment made to the net profit of the audited financial statement of the Company.

(Rupees in Lakhs)

<b>Particulars</b>	<b>For the period ended on 31st Dec. 2022</b>	<b>For the period ended 31st March,2022</b>
Net profit after tax as per audited financial statements under AS	79.70	53.97
Add /( Less) - Material adjustments on account of restatement:		
Adjustments for items related to prior periods	-	-
Opening Profit / (Loss)	-	-
Add/(less) Short Provision for tax made	-	4.55
Deferred Tax Asset on the above adjustments for	-	-
Increase / (Decrease) in Revenue on account of change in accounting policy	-	-
(Increase) / Decrease in Purchase on account of change in accounting policy	-	-
Add/ (Less) : Change in depreciation rate	-	-
Add/(less) Prior Period Expenses	-	-
Reversal of Excess Income Tax provision made	-	-
Change in other expenses		
- Gratuity Provision	-	-
Total adjustments on Statement of Profit and Loss	-	4.55
<b>Restated profit(loss) after tax</b>	<b>79.70</b>	<b>49.42</b>



**ANNEXURE 25: RESTATED STATEMENT OF ACCOUNTING RATIOS**

(Rupees in Lakhs)

Particulars	For the period ended on 31st Dec. 2022	For the period ended March 31, 2022
Profit attributable to equity shareholders for basic and diluted EPS <b>(A)</b>	79.70	49.42
Total No of equity shares at the end of the year <b>(B)</b>	22.00	0.10
Equivalent Weighted Avg number of Equity Shares at the end of the year <b>(C)</b>	29.27	28.93
<b>Earnings Per Share:</b>		
Basic <b>(A)/(B)</b>	2.72	1.71
Diluted <b>(A)/(C)</b>	2.72	1.71
<b>Return on Net worth</b>		
Net Profit/ (Loss) after tax as restated <b>(D)</b>	79.70	49.42
Average Net Worth as restated <b>(E)</b>	350.12	50.42
<b>Return on Net Worth (%) (D)/(E)</b>	<b>22.76%</b>	<b>98.02%</b>
<b>Net Assets Value per Equity share (Rs.)</b>		
Net Worth as restated <b>(F)</b>	350.12	50.42
Number of equity shares outstanding at the end of the year / period <b>(G)</b>	29.27	28.93
<b>Net Asset Value Per Equity Share (F)/(G)</b>	<b>11.96</b>	<b>1.74</b>
Nominal Value per Equity share (Rs.)	10.00	10.00

**Notes**

1 The ratios have been computed as per the following formulae:

(i) Basic Earnings per share:

$$\frac{\text{Restated Net profit after tax for the year/period attributable to the Equity Shareholders of Company}}{\text{Number of equity shares and potential equity shares outstanding during the year/period}}$$

(ii) Diluted Earnings per share:

$$\frac{\text{Restated Net profit after tax for the year / period}}{\text{Number of equity shares and potential equity shares outstanding during the year/period}}$$

Earnings per share calculations are in accordance with AS 20 "Earnings per Share" notified under section 133 of the Companies Act, 2013.

(iii) Return on net worth (%):

$$\frac{\text{Restated Net profit after tax for the year / period attributable to the Equity Shareholders of Company}}{\text{Restated Average Net worth for the year / period}}$$

(iv) Net Assets Value per equity shares:

$$\frac{\text{Restated Net worth as at the end of the year / period}}{\text{Number of equity shares and potential equity shares outstanding during the year/period}}$$

2. Weighted average number of equity shares is the number of equity shares outstanding as the beginning of the year / period adjusted by a number of equity shares issued during year / period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year / period.

3. Return on Net Worth ratio ('RONW') mentioned in above note represents the aggregate of the paid up share capital, reserves & surplus.

RONW has not been annualised for sub periods.

**ANNEXURE 26: RESTATED STATEMENT OF TAX SHELTERS**

(Rupees in Lakhs)

Particulars	For the period ended on 31st Dec. 2022	For the period ended March 31, 2022
<b>NORMAL TAX</b>		
Income Tax Rate (%)	25.17%	25.17%
Restated Income before tax as per books (A)	107.26	74.59
Incomes considered separately	-	-
Total Incomes considered separately (B)	-	-
<b>Restated Profit other than income considered separately (C)=(A-B)</b>	107.26	74.59
<b>Tax Adjustment</b>	-	-
<b>Permanent Differences</b>	-	-
<b>Section 40 Disallowance</b>	-	-
Donations	-	-
Total Permanent Differences (D)	-	-
Timing Differences	-	-
<b>Book Depreciation (a)</b>	10.48	7.42
<b>Income Tax Depreciation allowance (b)</b>	5.56	5.78
<b>Section 37 Disallowance (c)</b>	-	-
<b>Section 40A Disallowance (d)</b>	-	-
<b>Section 43B Disallowance (d)</b>	-	-
<b>Total Timing Differences (E=a-b+c+d)</b>	4.92	1.64
Income From Business or Profession (F)=(C+D+E)	112.18	76.22
<b>Taxable income from other sources (G)</b>	-	-
<b>Taxable Income/(Loss) (F+G)</b>	112.18	76.22
<b>Unabsorbed Losses</b>	-	-
<b>Gross Total Income</b>	112.18	76.22
<b>Deductions under chapter VI-A</b>	-	-
<b>Networth calculation</b>		
Equity	220.00	1.00
Reserves and Surplus	130.12	49.42
	<b>350.12</b>	<b>50.42</b>
<b>Average Networth calculation</b>		
Opening Networth	50.42	-
closing networth	350.12	50.42
<b>Average Networth</b>	<b>200.27</b>	<b>50.42</b>

ANNEXURE 27: DISCLOSURE OF ACCOUNTING RATIOS AND REASON FOR VARIANCE							
	Particulars	Formula for Computation	Measures (in times / percentage)	For the period ended on 31 Dec. 2022	For the period ended 31 Mar 2022	% Change [2022-2023]	Reason for variance [2022-2023]
A	Current Ratio	Current assets / Current liabilities	Times	2.79	1.14	145.11%	Refer note (1)
B	Debt Equity Ratio	Debt / Net worth	Times	0.39	0.28	39.63%	Refer note (2)
C	Debt Service Coverage Ratio	EBITDAE / (Finance costs + Current debt obligation)	Times	1.18	7.49	-84.28%	Refer Note (3)
D	Return on Equity	Profit after tax / Net worth	Percentage	22.76%	98.02%	-76.78%	Refer Note (4)
E	Inventory Turnover Ratio	Cost of goods sold / Average inventory	Times	2.07	6.36	-67.53%	Refer Note (5)
F	Trade Receivable Turnover Ratio	[Revenue from Sales of products (including excise duty) + Sales of services] / Average gross trade receivables	Times	8.25	46.56	-82.29%	Refer Note (6)
G	Trade Payable Turnover Ratio	Purchases / Average trade payables	Times	8.42	5.09	65.24%	Refer Note (7)
H	Net Capital Turnover Ratio	Revenue from operations / working capital	Times	2.23	31.94	-93.03%	Refer Note (8)
I	Net Profit Ratio	Profit after tax / Revenue from operations	Percentage	10.39%	6.81%	52.57%	NA
J	Return on Capital Employed (ROCE)	EBIT / Capital employed	Percentage	29%	132%	-78.34%	Refer Note (9)
<p><b>Notes</b></p> <p>1 Debt = Non-current borrowings + Current borrowings</p> <p>2 Net worth = Paid-up share capital + Reserves created out of profit+ Security premium - Accumulated losses</p> <p>3 Cost of goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-</p> <p>4 Purchase = Purchase of stock-in-trade + Purchase of Raw Material and packing material</p> <p>5 Working Capital = Current assets - Current liabilities</p> <p>6 EBIT = Earnings before Interest, tax and exceptional items</p> <p>7 Capital employed = Total equity + Non-current Liabilities</p> <p><b>Notes – Reason for variance of more than 25%</b></p> <p>(1) Increase in Borrowings and increase in Inventory holding</p> <p>(2) Increase in borrowings</p> <p>(3) Reduction in Profitability and increase in Short Term debt</p> <p>(4) Increase in Net worth</p> <p>(5) Increase in Inventory in FY 22-23</p> <p>(6) Increase in average trade receivables because of no opening debtors in FY 21-22</p> <p>(7) Reduction in Purchase and increase in average trade payables because of no opening debtors in FY 21-22</p> <p>(8) Increase in Working Capital</p> <p>(9) Increase in Capital employed</p>							

**ANNEXURE 28: RESTATED CAPITALISATION STATEMENT**

(Rupees in Lakhs)

Particulars	For the period ended on 31st Dec. 2022	Post issue
<b>Debt</b>		
Long Term	35.94	[•]
Short Term	99.48	[•]
<b>Total Debt</b>	<b>135.42</b>	[•]
<b>Equity (Shareholders's fund)</b>		
Equity Share Capital	220.00	[•]
Reserves and Surplus	130.12	[•]
<b>Total Equity</b>	<b>350.12</b>	[•]
Long Term Debt/Total Equity Shareholders' fund	0.10	[•]
Total Debt/Total Equity Shareholders' fund	0.39	[•]

### OTHER FINANCIAL INFORMATION

Particulars	For the period ended on 31st Dec, 2022	For the period ended March 31, 2022
Profit attributable to equity shareholders for basic and diluted EPS (A)	79.70	49.42
Total No of equity shares at the end of the year (B)	22.00	0.10
Equivalent Weighted Avg number of Equity Shares at the end of the year (C)	29.27	28.93
Earnings Per Share:		
Basic (A)/(B)	2.72	1.71
Diluted (A)/(C)	2.72	1.71
Return on Net worth		
Net Profit/ (Loss) after tax as restated (D)	79.70	49.42
Average Net Worth as restated (E)	350.12	50.42
Return on Net Worth (%) (D)/(E)	22.76%	98.02%
Net Assets Value per Equity share (Rs.)		
Net Worth as restated (F)	350.12	50.42
Number of equity shares outstanding at the end of the year / period (G)	29.27	28.93
Net Asset Value Per Equity Share (F)/(G)	11.96	1.74
Nominal Value per Equity share (Rs.)	10.00	10.00

#### Notes

1. The ratios have been computed as per the following formulae:

(i) Basic Earnings per share:

Restated Net profit after tax for the year/period attributable to the Equity Shareholders of Company  
Number of equity shares and potential equity shares outstanding during the year/period

(ii) Diluted Earnings per share:

Restated Net profit after tax for the year / period  
Number of equity shares and potential equity shares outstanding during the year/period

Earnings per share calculations are in accordance with AS 20 "Earnings per Share" notified under section 133 of the Companies Act, 2013.

(iii) Return on net worth (%):

Restated Net profit after tax for the year / period attributable to the Equity Shareholders of Company  
Restated Average Net worth for the year / period

(iv) Net Assets Value per equity shares:

Restated Net worth as at the end of the year / period  
Number of equity shares and potential equity shares outstanding during the year/period

2. Weighted average number of equity shares is the number of equity shares outstanding as the beginning of the year / period adjusted by a number of equity shares issued during year / period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year / period.

3. Return on Net Worth ratio ('RONW') mentioned in above note represents the aggregate of the paid up share capital, reserves & surplus.

RONW has not been annualised for sub periods.

## MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Red Herring Prospectus. You should also read the section entitled "Risk Factors" beginning on page 28 and "Forward Looking Statements" beginning on page 21, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.*

*The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the stub period ended December 31, 2022 and for the period ended March 31, 2022 including the schedules and notes thereto and the reports thereto, which appear in the section titled "Financial Information of our company" on Page 145 of the Draft Red Herring Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal period are to the twelve-month period ended on March 31 of that year except for financial period 2022. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.*

### Overview

Our company is engaged in the business of manufacturing of packaged snacks. We have a wide range of all type of Namkeen and snacks like Chana Jor Namkeen, Masala Chana Jor, Pudina Chana, Masala Mung Jor, Plain Mung Jor, Bingo Triangle, Soya Sticks, Haldi Chana etc. Our diversified product portfolio is therefore, relatively less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product segment. Our brand philosophy emphasises delivery of maximum value to consumers, as reflected by the regular introduction of new flavours, relatively high per pack weight to volume ratio for our products.

Our Company was originally incorporated on June 30, 2021 as "Jay Kailash Namkeen (OPC) Private Limited" under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently our Company has acquired the running business of "Kailash Namkeen" a proprietorship firm through Business Transfer Agreement dated July 26, 2021. Further the name of our company was changed from "Jay Kailash Namkeen (OPC) Private Limited" to "Jay Kailash Namkeen Private Limited" and fresh certificate of incorporation dated May 25, 2022 was issued by, Registrar of Companies, Ahmedabad pursuant to conversion of one-person company to private company. Subsequently our Company was converted into Public Limited Company and name of company was changed from "Jay Kailash Namkeen Private Limited" to "Jay Kailash Namkeen Limited" vide fresh certificate of incorporation dated June 24, 2022 issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U15549GJ2021PLC123708.

Our Registered Office of the company is situated at Aji Vashahat GIDC A/15 Rajkot, Gujarat-360003, India.

Our company was initially engaged only in B2B transactions where we sold our products to well-known brands in industry in bulk quantities and they further sold it to the consumer in the market under their own brand name. Recently our company has started B2C transactions where we are selling our product under our own brand name "JAY KAILASH NAMKEEN" to the consumers.

Our Company mainly manufactures Chana Jor in huge quantities along with other products side by side. We do wholesale trade of Chana Jor along with retail trade in our own brand name.

Our promise is to not only satisfy our customers but also to delight them with great quality products at most reasonable price. We are committed in creating maximum number of employment opportunities to ultimately serve our great Nation. Our vision is to attain, a reputable and trustworthy position through Quality, Reliability, Faith and Efficiency not only in the Indian and Global market but also in the Hearts of our consumers.

We follow stringent quality procedures which satisfy quality guidelines. Our quality testing team keeps a close checking on each and every level of the production process and makes sure that only faultless range is delivered to the customer. All our machines are made from the superior quality basic material to ensure excellent performance. Specific strategies are deployed through our quality and their progress is measured on a time period. The manufactured products are prepared completely under hygienic atmosphere by the professional makers. We have been certified by Food Safety and Standards Authority of India (FSSAI) for the quality management systems of our Company in relation to our products.

#### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL:**

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e., March 31, 2022, as disclosed in this draft red herring prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

#### **Factors Affecting our Results of Operations**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 28 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. A reduction in the demand of the products in which we deal in and/or competing products gaining wider market acceptance;
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
4. Changes in laws and regulations relating to the industries in which we operate;
5. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
6. Disruptions in the supply chain can lead to higher costs, reduced production, and lost sales;

#### **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure IV of Restated Financial Statements under chapter titled “Restated Financial Statements” beginning on page 145 of this Draft Red Herring Prospectus.

#### **RESULTS OF KEY OPERATION**

The following table sets forth select financial data from our restated financial statement of profit and loss for the period ended December 31, 2022 and financial period ended March 31, 2022 the components of which are also expressed as a percentage of total revenue for such period and financial period.

(₹ in Lakhs)

Particulars	For the period ended			
	December 31, 2022	% of Total Income	March 31, 2022	% of Total Income
Revenue from Operations	767.28	100.00	725.97	100.00
Other Income	0.00	0.00	0.00	0.00
<b>Total Income (A)</b>	<b>767.28</b>	<b>100.00</b>	<b>725.97</b>	<b>100.00</b>
<b>EXPENDITURE</b>				
Cost of Material Consumed	532.13	69.35	671.39	92.48
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	50.10	6.53	(63.87)	(8.80)
Employee benefits expense	8.75	1.14	9.20	1.27
Finance costs	3.61	0.47	0.14	0.02
Depreciation and amortization expense	10.48	1.37	7.42	1.02
Other expenses	54.94	7.16	27.10	3.73
<b>Total Expenses (B)</b>	<b>660.02</b>	<b>86.02</b>	<b>651.38</b>	<b>89.73</b>
<b>Profit before Exceptional Items(A-B)</b>	<b>107.26</b>	<b>13.98</b>	<b>74.59</b>	<b>10.27</b>
Exceptional Items	0.00	0.00	0.00	0.00
<b>Profit Before Tax</b>	<b>107.26</b>	<b>13.98</b>	<b>74.59</b>	<b>10.27</b>
<b>Tax expense:</b>				
(i) Current tax	29.53	3.85%	22.20	3.06
(ii) Deferred tax	(1.96)	(0.26%)	2.96	0.41
<b>Total Tax Expense</b>	<b>27.56</b>	<b>3.59%</b>	<b>25.16</b>	<b>3.47</b>
<b>Profit for the year</b>	<b>79.70</b>	<b>10.39%</b>	<b>49.42</b>	<b>6.81</b>

### Review of Restated Financials

Since the company has incorporated on from June 30, 2021, so income and expenses are shown in the books of accounts of the company from the period started from June 30, 2021 to March 31, 2022 and period started from April 01, 2022 to December 31, 2022 no comparison with earlier years is applicable.

### Key Components of Company's Profit and Loss Statement

**Revenue from Sale of Product:** Revenue from operations mainly consists of Sales of Products.

**Expenses:** Company's expenses consist of Cost of Raw material consumed, change in inventories of finished goods, WIP & stock in trade, employee benefit expenses, finance cost, depreciation and amortization expenses and other expenses.

**Employee Benefits Expense:** Employee benefit expense includes Workers and Office staff salaries.

**Finance Costs:** Finance cost comprises interest on Indebtedness, Bank charges and Processing Charges Loan.



**Depreciation and Amortization Expense:** We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013.

**Other Expenses:** Other expenses includes Transport charges, Rates & Taxes, Advertisement Expenses, Electricity Expenses, Legal & Professional Expenses, etc.

### **Financial Performance Highlights for the period ended December 31, 2022**

#### **Revenue from Operations/Total Income:**

The Company's Revenue from operations/total income which includes from Sale of Products during the stub period ended on December 31, 2022 was ₹ 767.28 Lakhs.

#### **Cost of Material consumed:**

Cost of Material consumed for the period ended December 31, 2022 amounted to ₹ 532.13 lakhs which is 69.35% of our total revenue of the business.

#### **Changes in inventories of stock-in-Trade**

Changes in inventories of finished goods, work-in-progress and Stock-in-Trade for the period ended December 31, 2022 amounted to ₹ 50.10 lakhs which is 6.53% of our total revenue of the business.

#### **Employee Benefits Expenses**

Our employee benefit expenses for the period ended December 31, 2022 were ₹ 8.75 lakhs which is 1.14% of our total revenue. Employee benefits expenses primarily comprised salary of offices staff and worker wages.

#### **Finance Costs**

Our finance cost for the period ended December 31, 2022 were ₹ 3.61 lakhs which is 0.47% of our total revenue. Finance cost mainly comprised of Interest expenses of ₹ 2.17 lakhs and processing charges loan and bank charges of ₹ 1.44 lakhs.

#### **Depreciation and amortization expenses**

Our depreciation and amortization expenses for the period ended December 31, 2022 were ₹ 10.48 lakhs which comprised of 1.37% of our total revenue.

#### **Other Expense**

Our other expenses for the period ended December 31, 2022 were ₹ 54.94 lakhs which primarily comprised of Transport Charges of ₹ 21.14 lakhs, Advertising expenses of ₹ 8.91 lakhs, Rate & Taxes of ₹ 6.83 lakhs, Electricity expenses of ₹ 3.32 lakhs etc. Other expenses form 7.16% of our total revenue.

#### **EBITDA**

Our EBITDA for the period ended December 31, 2022 was ₹ 121.35 lakhs which was 15.82% of our total revenue.

#### **Profit before tax**

Our profit before tax for the period ended December 31, 2022 was ₹ 107.26 lakhs which was 13.98% of our total revenue.

**Tax Expenses:**

Our tax expenses for the period ended December 31, 2022 were ₹ 27.56 lakhs. Tax expenses comprised of current tax liability which is ₹ 29.53 lakhs and deferred tax liability is ₹ (1.96) lakhs. Our tax expenses were 3.59% of our total revenue.

**Profit after Tax:**

Our profit after tax for the period ended December 31, 2022 was ₹ 79.70 lakhs forming 10.39% of our total revenue.

**Financial Performance Highlights for the period ended March 31, 2022**

**Revenue from Operations/Total Income:**

The Company's Revenue from operations/total income which includes from Sale of Products during the stub period ended on March 31, 2022 was ₹ 725.97 Lakhs.

**Cost of Material consumed:**

Cost of Material consumed for the period ended March 31, 2022 amounted to ₹ 671.39 lakhs which is 92.48% of our total revenue of the business.

**Changes in inventories of stock-in-Trade**

Changes in inventories of finished goods, work-in-progress and Stock-in-Trade for the period ended March 31, 2022 amounted to ₹ (63.87) lakhs which is (8.80)% of our total revenue of the business.

**Employee Benefits Expenses**

Our employee benefit expenses for the period ended March 31, 2022 were ₹ 9.20 lakhs which is 1.27% of our total revenue. Employee benefits expenses primarily comprised salary of offices staff and worker wages.

**Finance Costs**

Our finance cost for the period ended March 31, 2022 were ₹ 0.14 lakhs which is 0.02% of our total revenue. Finance cost mainly comprised of Interest expenses of ₹ 0.08 lakhs and processing charges loan and bank charges of ₹ 0.06 lakhs.

**Depreciation and amortization expenses**

Our depreciation and amortization expenses for the period ended March 31, 2022 were ₹ 7.42 lakhs which comprised of 1.02% of our total revenue.

**Other Expense**

Our other expenses for the period ended March 31, 2022 were ₹ 27.10 lakhs which primarily comprised of Transport Charges of ₹ 12.38 lakhs, Discount expenses of ₹ 3.80 lakhs, Factory Expenses of ₹ 2.58 lakhs, Factory Rent of ₹ 2.50 lakhs etc. Other expenses form 3.73% of our total revenue.

## **EBITDA**

Our EBITDA for the period ended March 31, 2022 was ₹ 82.15 lakhs which was 11.32% of our total revenue.

## **Profit before tax**

Our profit before tax for the period ended March 31, 2022 was ₹ 74.59 lakhs which was 10.27% of our total revenue.

## **Tax Expenses:**

Our tax expenses for the period ended March 31, 2022 were ₹ 25.16 lakhs. Tax expenses comprised of current tax liability which is ₹ 22.20 lakhs and deferred tax liability is ₹ (1.96) lakhs. Our tax expenses were 3.47% of our total revenue.

## **Profit after Tax:**

Our profit after tax for the period ended March 31, 2022 was ₹ 49.42 lakhs forming 6.81% of our total revenue.

## **Cash Flows**

(₹ in lakhs)

<b>Particulars</b>	<b>For the period ended December 31, 2022</b>	<b>For the year ended March 31, 2022</b>
Net Cash from Operating Activities	(-167.03)	65.11
Net Cash from Investing Activities	(-19.26)	(41.21)
Net Cash used in Financing Activities	216.39	0.86

### ***Cash Flows from Operating Activities***

Net cash from operating activities for stub period ended on December 31, 2022 was at ₹ (167.03) lakhs as compared to the Profit Before Tax at ₹ 107.26 lakhs, Net cash from operating activities for period ended on March 31, 2022 was at ₹ 65.11 lakhs as compared to Profit Before Tax at ₹ 74.59 lakhs. This was primarily due to adjustments against, inventories, trade receivables and trade payables.

### ***Cash Flows from Investment Activities***

In Stub Period ended on December 31, 2022, the net cash invested in Investing Activities was ₹ (19.26) lakhs. This was mainly on account of purchase of fixed assets. In the period ended March 31, 2022, the net cash from investing activities was ₹ (41.21).

### ***Cash Flows from Financing Activities***

In Stub Period ended on December 31, 2022, the net cash from financing activities was ₹ 216.3 lakhs. This was on account of proceeds from issuance of Equity Shares capital and Finance Cost. In the period ended March 31, 2022, the net cash from financing activities was ₹ 0.86 lakhs.

## **Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

**1. *Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

**2. *Significant economic changes that materially affected or are likely to affect income from continuing operations.***

Except for any change in economic policy affecting food industry in India, there are no other significant economic changes that may materially affect or 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 sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 28 in the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. *Future changes in relationship between costs and revenues***

Our Company’s future costs and revenues will be determined by demand supply situation, Government Policies and growth of industry in which we operate.

**5. *Increases in net sales or revenue and Introduction of new services or increased sales prices***

Increases in revenues are by and large linked to increases in volume of our business.

**6. *Status of any publicly announced New Product or Business Segment***

Our Company has not announced any new Product other than disclosed in the Prospectus.

**7. *Seasonality of business***

Our Company’s business is not seasonal in nature as it is Food industry.

**8. *Dependence on few customers/ clients***

Revenues from any particular client may vary between financial reporting periods depending on the nature and term of on-going contracts with such client. However, historically certain key clients have accounted for a significant proportion of our revenues in the period ended march 31, 2022, our top ten customers contributed 95.63% of the revenue while our largest customer contributed 50.31% of our revenue of that period.

**9. *Competitive conditions***

Competitive conditions are as described under the Chapters “Industry Overview” and “Our Business” beginning on pages 91 and 104, respectively of the Draft Red Herring Prospectus.

**10. *Details of material developments after the date of last balance sheet i.e. December 31, 2022***

There have been no material developments occurred after the date of last Balance sheet i.e. December 31, 2022

## CAPITALISATION STATEMENT

(₹ In Lakhs)

Sr. No	Particulars	Pre issue	Post issue
	<b>Debts</b>		
A	Long Term Debt*	19.57	[●]
B	Short Term Debt*	124.17	[●]
C	<b>Total Debt</b>	<b>143.74</b>	[●]
	<b>Equity Shareholders Funds</b>		
	Equity Share Capital	220.00	[●]
	Reserves and Surplus	90.45	[●]
D	<b>Total Equity</b>	<b>310.45</b>	[●]
	Long Term Debt/ Equity Ratio (A/D)	0.06	[●]
	Total Debt/ Equity Ratio (C/D)	0.46	[●]
<i>Notes:</i>			
<i>* The amounts are considered as outstanding as on 31.12.2022</i>			
<i>Post Issue Figures are not available since issue price is not yet finalized</i>			

## FINANCIAL INDEBTEDNESS

Our Company avails certain credit facilities in the ordinary course of business to meet our working capital requirements and for general corporate purposes. As of December 31, 2022, our outstanding borrowings aggregated to ₹135.42 lakhs.

Set forth below, is a brief summary of our Company's borrowings as on December 31, 2022 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

(₹ in lakh)

Category of borrowing	Sanctioned amount	Outstanding as on December 31, 2022
<b>Secured (A)</b>		
Vehicle loan	5.05	3.54
Overdraft against fixed deposit	9.90	9.41
<b>Total (A)</b>		<b>12.95</b>
<b>Unsecured (B)</b>		
Working Capital loan	54.95	52.27
Loan from directors and others		70.21
<b>Total (B)</b>		<b>122.48</b>
<b>Total (A + B)</b>		<b>135.42</b>

*\*As certified by Kumbhat & Co., Chartered Accountants, Statutory Auditor pursuant to their certificate dated February 10, 2023.*

*Notes:*

- 1) In the absence of specific sanction limits, outstanding amount of borrowing (including interest payable) has been considered as sanction amount.*
- 2) Amounts are as per the balances appearing in the Restated Financial Information as on December 31, 2022.*

### **Principal terms of the borrowings availed by our Company:**

The details provided below are indicative, and there may be additional terms, conditions and requirements under various documentations executed by our Company in relation to our indebtedness:

1. **Interest:** In terms of the facilities sanctioned to us, the interest rate shall be agreed with the lender at the time of disbursement. For secured loans, it is 18.00%. Additionally, the interest rate for unsecured loans availed ranges between 15% to 22%.
2. **Tenor:** The tenor of the loans availed by our Company typically ranges from 12 months to 37 months and unsecured loans are usually repayable on demand.
3. **Security:** In terms of the borrowings availed by our Company where security needs to be created, security is created by hypothecation charge on assets (Vehicle).
4. **Prepayment:** Our Company has the option to pre-pay our lenders, in part or in full, subject in some cases to a notice of pre-payment to the lender. Such prepayment may also be subject to the payment of a pre-payment fee.
5. **Repayment:** The working capital loans are repayable on the applicable due dates/or on demand. The vehicle loan is repayable on a monthly basis with equal instalments.

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no (i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) tax proceedings; (iv) any other pending litigation considered material, in each case, involving our Company, or our Directors and our Promoter; (v) any litigation involving our Company, our Directors or any other person whose outcome could have a material adverse effect on the position of our Company; (vi) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company in the preceding five (5) years from the date of this Draft Red Herring Prospectus; (vii) pending proceedings initiated against our Company for economic offences; (viii) material frauds committed by or against our Company in the preceding five (5) years from the date of this Draft Red Herring Prospectus; (ix) defaults for non-payment of statutory dues; (x) fines imposed or compounding of offences against our Company in the preceding five (5) years from the date of this Draft Red Herring Prospectus; (xi) matters involving our Company pertaining to violations of securities law; and (xii) outstanding dues to material creditors and small scale undertakings.*

*In relation to (iv) and (v) above, our Board, at its meeting held on January 09, 2023 has determined Material Litigation as:*

- a. the aggregate amount involved in such individual litigation exceeds 5% of the profit after tax as per the last full year audited financial statements; or where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed the abovementioned thresholds, if similar litigations put together collectively exceed 5% of the profit after tax as per the last full year audited financial statements;*
- b. any such litigation wherein the monetary liability is not quantifiable but which is expected to be material from the perspective of the Company's business, operations, prospects or reputation.*

*Except as stated in this section, there are no outstanding litigation involving our Group Companies, the outcome of which would have a material impact on our Company.*

*In relation to (xii) above, our Board, at its meeting held on January 09, 2023 has determined 'Material Dues' as: Outstanding dues to creditors in excess of 5% of the outstanding trade payables as per the last audited financial statements. Details of Material Dues to creditors as required under the SEBI ICDR Regulations have been disclosed on our website at [www.jaykailashnamkeen.com](http://www.jaykailashnamkeen.com)*

*It is clarified that for the purposes of the above, pre-litigation notices received by our Company, Directors or Promoter shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of its Directors or Promoter, as the case may be, is impleaded as a defendant in litigation before any judicial forum.*

*Except as disclosed herein, our Company, its Directors and Promoter are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.*

#### **A. LITIGATION INVOLVING OUR COMPANY**

##### **I. Litigation against our Company:**

##### **a. Litigation involving Criminal Laws: NIL**

- b. Litigation involving Civil Laws: NIL
- c. Litigation involving actions by Statutory/ Regulatory Authorities: NIL
- d. Litigation involving actions by Direct / Indirect tax Authorities: 1

Sr.No.	Competent authority/Court	Case Details
1.	Income Tax Department	The Notice under Section 143(1)(a) of the Income Tax Act, 1961 for the Assessment Year 2022-23 has been received by the Company. The communication of notice to the Company could be for an adjustment under Section 143(1)(a) wherein there could be a mismatch of the income/deductions/exemptions reported in the Income Tax Return and in the income/deductions/exemption as shown by the Company. The time period for submitting response has expired due to which the demand notice is expected under the relevant provisions of the Income Tax Act, 1961 wherein a demand to pay an amount could be made upon the Company.

- e. Other pending litigations: NIL

## II. Litigation by our Company:

- a. Litigation involving Criminal Laws: NIL
- b. Litigation involving Civil Laws: NIL
- c. Litigation involving actions by Statutory/ Regulatory Authorities: NIL
- d. Litigation involving actions by Direct / Indirect tax Authorities: NIL
- e. Other pending litigations: NIL

## B. LITIGATION INVOLVING OUR DIRECTORS

### I. Litigation against our Directors:

- a. Litigation involving Criminal Laws: NIL
- b. Litigation involving Civil Laws: NIL
- c. Litigation involving actions by Statutory/ Regulatory Authorities: NIL
- d. Litigation involving Tax Matters: 8

1) *Against Hasmukhrai N Bhagdev (DIN: 02454992)*



Sr. No.	Competent authority/Court	Case Details
1.	Income Tax Department	Demand Reference No. 2020201937003395175T under Section 143(1)(a) of the Income Tax Act, 1961 for the Assessment Year 2005-06. The Date of Demand raised is 30-12-2007 for an amount of Rs.10,850/-. The response to the demand dated 14-05-2020 has been submitted. The current status on the website Income Tax Department shows as “pending payment”.
2.	Income Tax Department	Demand Reference No. 2016201437044005232T under Section 143(1)(a) of the Income Tax Act, 1961 for the Assessment Year 2014-15. The Date of Demand raised is 09-10-2016 for an amount of Rs.1,36,648/- and an accrued interest of Rs.28,854/-. The response to the demand dated 09-10-2016 has been submitted on 14-05-2019. The current status on the website Income Tax Department shows as “pending payment”.
3.	Income Tax Department	The Demand Reference No. 2016201537028714224T under Section 143(1)(a) of the Income Tax Act, 1961 for the Assessment Year 2015-16. The Date of Demand raised is 16-08-2016 for an amount of Rs.95,350/-.The current status on the website of Income Tax Department shows as “Pending payment/Response”.
4.	Income Tax Department	The Demand Identification No. 2017201637094746762T under Section 143(1)(a) of the Income Tax Act, 1961. The Demand under CPC order bearing reference no.:- CPC/1617/A4/1760796892 dated 21-03-2018 for the Assessment Year 2016-17 for an amount of Rs.12,16,250/-. The date of communication of the said demand notice is 30-10-2020.
5.	Income Tax Department	Demand Reference No. 2019201837040351164T under Section 143(1)(a) of the Income Tax Act, 1961 for the Assessment Year 2018-19. The Date of Demand raised is 26-08-2019 for an amount of Rs.11,32,770/-. The response to the demand dated 06-11-2020 has been submitted. The current status on the website Income Tax Department shows as “pending payment”.
6.	Income Tax Department	Demand Reference No. 2011200551098366191T under Section 143(3) of the Income Tax Act, 1961 for the Assessment Year 2019-20. The Date of Demand raised is 14-05-2020 for an amount of Rs.13,71,400/-. The response to the demand dated 14-05-2020 has been submitted on 06-11-2020. The current status on the website Income Tax Department

Sr. No.	Competent authority/Court	Case Details
		shows as “pending payment”.
7.	Income Tax Department	Demand Reference No. 2021202037030641933T under Section 143(1)(a) of the Income Tax Act, 1961 for the Assessment Year 2020-21. The Date of Demand raised is 24-12-2021 for an amount of Rs.8,70,090/-. The response to the demand dated 24-12-2021 has been submitted on 24-12-2021. The current status on the website Income Tax Department shows as “pending payment/response”.
8.	Income Tax Department	Demand Reference No. 2022202137074368235T under Section 143(1)(a) of the Income Tax Act, 1961 for the Assessment Year 2021-22. The Date of Demand raised is 16-06-2022 for an amount of Rs.60,530/- as original demand and Interest of Rs. 4,840  /- The response to the demand dated 16-06-2022 has been submitted on 16-06-2022. The current status on the website Income Tax Department shows as “pending payment/response”.

e. Other pending litigations: NIL

## II. Litigation by our Directors:

### a. Litigation involving Criminal Laws: 2

#### 1) By *Rakeshbhai Dhirajlal Popat (DIN:9630091)*

Sr. No.	Competent authority/Court	Case Details
1	High Court of Gujarat at Ahmedabad	A Criminal Revision Application No.675 of 2020 has been filed in the High Court of Gujarat at Ahmedabad by 1) Ghelabhai Nathabhai Hansala, 2) Mukeshbhai Mithabhai Viradiya and 3) Rakeshbhai Dhirajlal Popat, the Petitioners, under Section 397 read with Section 401 of the Code of Criminal Procedure, 1973 against the State of Gujarat. The Petitioners are challenging the legality and validity of initiation of proceeding by Police Sub Inspector of DCB Police Station, Rajkot whereby a warrant under Section 70 of Code of Criminal Procedure, 1973 has been issued. It is the case of the Petitioners that the proceedings have been initiated without verifying the contents of the case. The facts as narrated in Criminal Revision Application are that one Dhavalbhai Mirani has filed a complaint for an incident dated 01-01-2017 for which an FIR has been issued on 12-10-2020 by DCB Police

		<p>Station, Rajkot for offences under Section 323, 387, 504, 506(2) and 114 of Indian Penal Code. The Petitioners have alleged the narration of incident by the complainant in an FIR is vague and illusory. The Petitioners have alleged that the lower court where the case has been filed has dealt with an application for issuance of warrant under Section 70 of Code of Criminal Procedure, 1973 within a period of 13 to 14 days and an order came to be passed by the lower court which is dated 28-10-2020. The Petitioners through the Criminal Revision Application have prayed for allowing the said Application by setting aside and quashing the order dated 28-10-2020 and for staying the execution, implementation and operation of order dated 28-10-2020 till the pendency of said Application. The last listing date of the said Application as available from the website of High Court of Gujarat at Ahmedabad displays 28-04-2021. The Hon'ble High Court on 13-01-2021 has passed an interim order which has been further extended by an order dated 03-03-2021. The said Application is pending for further hearing.</p>
2	High Court of Gujarat at Ahmedabad	<p>A Criminal Miscellaneous Application No. 19598 of 2020 under Section 482 of the Code of Criminal Procedure, 1973, has been filed by Rakesh Dhirajlal Popat against the State of Gujarat and Vinod Thakarshibhai Pipadiya (Patel) in High Court of Gujarat at Ahmedabad. The facts as narrated in the said Application are that an FIR was filed by Vinod Thakarshibhai Pipadiya (Patel) before DCB Police Station, Rajkot for offences punishable under Section 386, 447, 504, 506(2) and 114 of the Indian Penal Code by contending that a property bearing survey no.50 on which Suchit Arjun Park Society is situated, the plot bearing such survey number was purchased in the year 1996 and on such plot/property an attempt was made of trespassing and a compound wall has been erected. The further facts are that the said plot/property at a relevant point of time was an agricultural land which belonged to one Arjanbhai who developed Suchit Society in the year 2008 and one Yunus Janeja was an administrator of the said Society. Rakesh Dhirajlal Popat has purchased the said plot/property from Yunus Janeja. A civil suit was filed by the plot holders which was ultimately dismissed in the year 2014. It is the case of Rakesh Dhirajlal Popat that the dispute no longer exists between anybody as a result of which the said Application has been filed for quashing and setting aside the FIR. The Hon'ble High Court on 23-12-2020. The said Application is pending for further hearing.</p>

- b. Litigation involving Civil Laws: NIL**
- c. Litigation involving actions by Statutory/ Regulatory Authorities: NIL**
- d. Litigation involving Tax Matters: NIL**
- e. Other pending litigations: NIL**

### **III. LITIGATION INVOLVING OUR PROMOTER**

#### **I. Litigation against our Promoter:**

- a. Litigation involving Criminal Laws: NIL**
- b. Litigation involving Civil Laws: NIL**
- c. Litigation involving actions by Statutory/ Regulatory Authorities: NIL**
- d. Other pending litigations: NIL**

#### **II. Litigation by our Promoter:**

- a. Litigation involving Criminal Laws: NIL**
- b. Litigation involving Civil Laws: NIL**
- c. Litigation involving actions by Statutory/ Regulatory Authorities: NIL**
- d. Litigation involving Tax Matters: NIL**
- e. Other pending litigations: NIL**

### **C. LITIGATION INVOLVING GROUP ENTITIES**

#### **I. Litigation against our Group Companies:**

- a. Litigation involving Civil Laws: NIL**
- b. Litigation involving Criminal Laws: NIL**
- c. Litigation involving actions by Statutory/ Regulatory Authorities: NIL**
- d. Litigation involving Tax Matters: NIL**
- e. Other pending litigations: NIL**

#### **II. Litigation by our Group Company:**

- a. Litigation involving Criminal Laws: NIL**
- b. Litigation involving Civil Laws: NIL**

**c. Litigation involving actions by Statutory/ Regulatory Authorities: NIL**

**d. Litigation involving Tax Matters: NIL**

**e. Other pending litigations: NIL**

#### **D. OUTSTANDING DUES TO CREDITORS OF OUR COMPANY**

In terms of our Materiality Policy adopted by the Board vide Resolution dated January 09, 2023 the Board deems all creditors above 5% of the outstanding trade payables as per the last audited financial statements as material creditors. As of December 31, 2022 our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount (₹ in Lakhs)</b>
1.	Micro and Small Enterprises	3.36
2.	Material Creditors	53.78
3.	Other Creditors	6.08
<b>Total</b>		<b>63.23</b>

*\*The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplier under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). For complete details about outstanding dues to creditors of our Company, please see website of our Company.*

It is clarified that any other information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.

#### **E. WILFUL DEFAULTER OR FRAUDULENT BORROWERS**

Our Promoter and Directors have not been identified as a willful defaulter or fraudulent borrowers in terms of the SEBI ICDR Regulations as on the date of this Draft Red Herring Prospectus.

#### **F. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET DATE**

Except as disclosed in the chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 170 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen, since the date of last financial information disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.

## GOVERNMENT AND OTHER KEY APPROVALS

*Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State regulatory authorities under various rules and regulations. For details see “Key Industry Regulations and Policies” on page 114 of this Draft Red Herring Prospectus.*

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory, authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.*

### I. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. Our Board of Directors have, pursuant to a resolution passed in its meeting held on December 08, 2022 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013;
- b. The shareholders of our Company have, pursuant to a special resolution passed in the extra ordinary general meeting of our Company held on January 02, 2023, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013;
- c. Our Company has obtained in-principle approval from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].;

### II. CORPORATE APPROVALS

- a. Certificate of Incorporation dated July 02, 2021, bearing reference/registration no. U15549GJ2021OPC123708 issued by Registrar of Companies, Ahmedabad, Gujarat.
- b. Fresh Certificate of Incorporation dated May 25, 2022, issued by Registrar of Companies, Ahmedabad, Gujarat pursuant to change of name of name from Jay Kailash Namkeen (OPC) Private Limited to Jay Kailash Namkeen Private Limited.
- c. Fresh Certificate of Incorporation dated June 24, 2022, issued by Registrar of Companies, Ahmedabad, Gujarat pursuant to change of name of name from Jay Kailash Namkeen Private Limited to Jay Kailash Namkeen Limited.
- d. Corporate Identity Number (CIN): U15549GJ2021PLC123708

### III. AGREEMENTS WITH NSDL AND CDSL

- a. The Company has entered into an agreement dated July 27, 2022 with the Central Depositories Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited for the dematerialization of its shares.

- b. The Company has entered into an agreement dated August 05, 2022 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited for the dematerialization of its shares.
- c. The Company’s International Securities Identification Number (“ISIN”) is INE0MSS01019.

#### IV. TAX RELATED APPROVALS

Sr. No.	Description	Authority	Registration No.	Date of Issue	Date of Expiry
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAFCJ2393F	July 02, 2021	Valid until cancelled
2	Tax Deduction Account Number (TAN)*	Income Tax Department, Government of India	RKTJ05353F	July 02, 2021	Valid until cancelled
3	GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 (Gujarat)	Government of India	24AABCI1962 K1ZL	July 15, 2021	Valid until cancelled

#### V. OTHER BUSINESS APPROVALS

Our Company requires various other approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals will be submitted in accordance with applicable procedures and requirements as and when required. Also consequent to change in the name of the Company, it is required to update the new name in various licenses/ certificates and we are in the process to make the relevant applications for changing the same. An indicative list of material approvals required by us to undertake our business is provided below:

Sr. No.	Description	Authority	Registration No.	Date of Issue	Date of Expiry
1	License to work a factory under the Factories Act, 1948.*	Directorate Industrial Safety and Health, Gujarat State	Registration No. 4295/10791/2021 License No. 45933	November 25, 2021	December 31, 2022**
2	Udyam Registration Certificate	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-GJ-20-0036541	July 27, 2021	Valid until cancelled
3	License under Food Safety and Standards Act, 2006.*	Food Safety and Standards Authority of India	10722999000506	April 01, 2022	31.03.2023

Sr. No.	Description	Authority	Registration No.	Date of Issue	Date of Expiry
4	Certificate of Compliance of management system in accordance with ISO 9000:2015	Quality Assurance Advisory	QMS-2022-1214Y96501	December 14, 2022	December 13, 2025
5	Certificate of Compliance of management system in accordance with ISO 22000:2018	Quality Assurance Advisory	QMS-2022-1207Y96511	December 14, 2022	December 13, 2025

*The approvals marked as \* stand in the previous name of the Company i.e. Jay Kailash Namkeen (OPC) Private Limited. The Company has or shall be taking appropriate steps to get its new name i.e. Jay Kailash Namkeen Limited updated with the relevant authorities concerned.*

*The approval marked as \*\* has expired for which a renewal application bearing FW/RENLIC/FWDYDORAJ/Plan-Lic/2023/19 has been made by the Company on January 12, 2023 along with payment of requisite renewal fees.*

#### **VI. MATERIAL APPROVALS FOR WHICH APPLICATIONS HAVE BEEN MADE BY OUR COMPANY, BUT ARE CURRENTLY PENDING GRANT:**

1. Application for permission has been made by the Company on January 07, 2023, to the Gujarat Pollution Control Board under the Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”) and Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”) to operate and consent to establish the manufacturing facility of the Company.
2. Application for no-objection certificate has been made by the Company on January 10, 2023 to the Rajkot Mahanagar Seva Sadan under Gujarat Fire Prevention and Life Safety Measures Act, 2013.
3. Application for license/permit has been made by the Company January 10, 2023 under the Legal Metrology Act, 2009.
4. Application for a certificate of Enrolment and Registration has been made by the Company on January 17, 2023 under Gujarat State Tax on Professions, Trades, Callings and. Employments Act, 1976.

#### **VII. MATERIAL APPROVALS REQUIRED FOR WHICH NO APPLICATION HAS BEEN MADE BY OUR COMPANY**

- 1) License/permit under the Electricity Act, 2003.
- 2) Registration under the Gujarat Shops and Establishment Act, 2019.

#### **VIII. INTELLECTUAL PROPERTY RELATED APPROVALS**

*For details, see “Our Business - Trademarks” on page 104 and for risks associated with our intellectual property, see “Risk Factors - We do not own our trademark as on the date of this Draft Red Herring Prospectus. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third party intellectual property rights” on page 28.*



## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

#### **Fresh Issue**

The issue has been authorised by the Board of Directors vide a resolution passed at its Meeting held on December 08, 2022 subject to the approval of the shareholders of the Company and such other authorities, as may be necessary.

The shareholders of the Company have, pursuant to a special resolution passed in Extra Ordinary General Meeting held on January 02, 2023 authorised the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

#### **In-principle Listing Approval**

We have received in principle approval from National Stock Exchange of India Limited vide their letter dated [●] to use the name of National Stock Exchange of India Limited in the Draft Red Herring Prospectus for listing of our Equity Shares on EMERGE Platform of National Stock Exchange of India Limited. National Stock Exchange of India Limited is the Designated Stock Exchange for the purpose of this Issue.

### **PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

We confirm that our Company, our Directors, our Promoter, our Promoter Group members, Person in control of our Promoter or Company is not prohibited from accessing or operating in the capital markets or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/ court as on the date of this Draft Red Herring Prospectus.

### **PROHIBITION BY RBI**

Neither our Company, nor our Promoter or Directors have been identified as a wilful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

None of our Company, Promoter or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the 'Master Directions on Fraud-Classification and Reporting by commercial banks and select FIs' dated July 1, 2016, as updated, issued by the RBI.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of this Draft Red Herring Prospectus. Further, in view of the General Circular No. 07/2018 dated September 06, 2018 and General Circular No. 08/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India ("MCA"), our Company, our Promoter and our Promoter Group will ensure compliance with the SBO Rules, upon notification of the relevant forms, as may be applicable to them.

### **Association with Securities Market**

None of our Directors are, in any manner, associated with securities market. Further there has been no outstanding actions initiated by the SEBI against our Directors in the five years preceding the date of this Draft Red Herring Prospectus except as stated under the chapters titled "*Risk factors*", "*Our*

*Promoter and Promoter Group*” and *“Outstanding Litigations and Material Developments”* beginning on page 28, 179 and 179 respectively, of this Draft Red Herring Prospectus.

## ELIGIBILITY FOR THIS ISSUE

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company whose post issue face value capital is less than or equal to ₹100.00 lacs, shall Issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE).

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the NSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

### a) The Issue should be a company incorporated under the Companies Act 1956/2013:

Our Company was incorporated on June 30, 2021 under the Companies Act, 2013.

### b) The post issue paid up capital of the Company (face value) shall not be more than ₹25.00 Crores.

The present paid-up capital of our Company is ₹ 2,93,33,333 and we are proposing issue of upto 14,40,000 Equity Shares of ₹ 10/- each at issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Issue Paid up Capital will be approximately ₹ [●] Lakh which will be less than ₹ 25 Crore.

### c) Track Record

The Proprietorship firm which has been taken over by our company have combined track record of 3 years.

### d) Operating Profits from Operations and Net-worth

The Company including its sole proprietorship firm has operating profit (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth is positive.

The Financial Details of Proprietorship firm is as follows:-

*(in Lakhs)*

Particulars	For the financial year March 31, 2021	For the financial year March 31, 2020
<i>Proprietor's Capital</i>	28.42	21.17
<i>Revenue from Operation</i>	1314.56	999.14
<i>Profit after tax</i>	8.81	6.45

*The above details are extracted from financial statement of Proprietorship firm “Kailash Namkeen”*

### e) The Net-Worth of our company is Positive as per latest audited financial statement.

*(₹ in Lakhs)*

Particulars	For the period ended December 31, 2022	For the financial year March 31, 2022
<i>Operating Profit (earning before</i>	121.35	82.15

Particulars	For the period ended December 31, 2022	For the financial year March 31, 2022
<i>interest, depreciation and tax)</i>		
Particulars	For the period ended December 31, 2022	For the financial year March 31, 2022
<i>Share Capital</i>	200.00	1.00
<i>Add: Reserves &amp; Surplus</i>	130.12	49.42
<i>Net Worth</i>	350.12	50.42

- f) The Company has not been referred to Board for Industrial and Financial Reconstruction.
- g) No petition for winding up is admitted by the court or a liquidator has not been appointed of competent jurisdiction against the Company.
- h) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.
- i) Our Company has a website i.e. [www.jaykailashnamkeen.com](http://www.jaykailashnamkeen.com)

**Other Disclosures:**

- a) We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group Company(ies), subsidiaries companies promoted by the promoters/promoting Company(ies) of the applicant Company in the Draft Red Herring Prospectus.
- b) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting Company(ies), Company(ies), companies promoted by the promoters/promoting Company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- c) We have Disclosed the details of the applicant, Promoters/Promoting Company(ies), Group Company(ies), subsidiaries, companies promoted by the promoters/promoting Company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter “*Outstanding Litigation & Material Developments*” on page 179 of this Draft Red Herring Prospectus.
- d) We have disclosed all details of the track record of the directors. For Details, refer the chapter “*Outstanding Litigation & Material Developments*” on page 179 of this Draft Red Herring Prospectus.

**As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:**

- The Draft Red Herring Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the NSE EMERGE platform. NSE is the Designated Stock Exchange.
- To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
  - a) Tripartite agreement dated August 05, 2022 with NSDL, our Company and Registrar to the Issue;
  - b) Tripartite agreement dated July 27, 2022 with CDSL, our Company and Registrar to the Issue;
  - c) The Company's shares bear an ISIN: INE0MSS01019
- The entire pre-Issue capital of our Company has fully paid-up Equity Shares and the Equity

Shares proposed to be issued pursuant to this IPO will be fully paid-up.

- The entire Equity Shares held by the Promoter has been in dematerialised form.
- The entire fund requirement is to be funded from the proceeds of the Issue, 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 amounts to be raised through the proposed Issue. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. For details, please refer the chapter “Object of the Issue” on page 75 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- (d) None of our Promoters or Directors is a fugitive economic offender under Economic Offenders Act, 2018.

We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

In accordance with regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within 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 four days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE LEAD MERCHANT BANKER, UNISTONE CAPITAL PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING**

**PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, UNISTONE CAPITAL PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, UNISTONE CAPITAL PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 11, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

*Note:*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad in terms of sections 26 of the Companies Act, 2013.*

#### **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 Draft 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 his or her own risk.

#### **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 majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs and National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India

Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft 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 this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [●] dated [●], permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchange 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 promoter, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **Disclaimer Clause under Rule 144A of the U.S. Securities Act**

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 205 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.

## **Listing**

Application will be made to the “National Stock Exchange of India Limited” for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The National Stock Exchange of India Limited has given its in-principle approval for using its name in the Offer Document vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 4 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 4 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

## **Disposal of Investor Grievances by our Company**

Our Company has constituted a Stakeholders’ Relationship to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details, please refer to the chapter titled “*Our Management*” beginning on page 126 of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be ten (10) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Anushree Vijay, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

### **Anushree Vijay**

Company Secretary & Compliance Officer

### **Jay Kailash Namkeen Limited**

Aji Vashahat GIDC A/15, Rajkot

Gujarat-360003 India.

Tel. No.: 0281-2389727

E-mail: [cs@jaykailashnamkeen.com](mailto:cs@jaykailashnamkeen.com)  
Website: <http://jaykailashnamkeen.com>

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in). The Company shall obtain authentication on the SCORES and comply with the SEBI circular no. CIR/OIAE/1/2013 dated December 18, 2014 in relation to redressal of investor grievances through SCORES. As on the date of this Draft Red Herring Prospectus there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Red Herring Prospectus.

### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

**“Any person who-**

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, Shall be liable to action under section 447 of the Companies, Act 2013.”**

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### **Consents**

Consents in writing of: (a) Directors, the Promoter, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company and (b) Book Running Lead Manager, Registrar to the Issue, the syndicate Members\*, Bankers to the Issue/Escrow Bank\*, Public Offer Account Bank(s)\*, Sponsor Bank(s)\* and Refund Bank(s)\*, Advisor to the Issue\*, Underwriter\*, Market Maker\*, Banker to the Issue\*, and Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall 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 shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus and Red Herring Prospectus and Prospectus for filing with the RoC. .

*\* The aforesaid will be appointed prior to filing of the Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*



In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, Kumbhat & Co., Chartered Accountants, have provided their written consent to the inclusion of their (1) Examination Report on Restated Financial Statements dated February 03, 2023, (2) Restated Financial Statements dated February 03, 2023 and (3) Report on Statement of Tax Benefits dated February 10, 2023, which may be available to the Company and its shareholders, included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Red Herring Prospectus.

### **Experts Opinion**

Except as stated below, our Company has not obtained any expert opinions: Our Company has received written consent from the Statutory and Peer Review Auditor namely, Kumbhat & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their (1) Report on Restated Financial Statements dated February 03, 2023, and (2) Report on Statement of Tax Benefits dated February 10, 2023 and issued by them, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

### **Stock Market data for our Equity Shares of our Company**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

**Price Information and track record of past issued handled by the Book Running Lead Manager**

**Unistone Capital Private Limited**

Sr. No.	Issue Name	Issue Size (in Lakhs)	Issue price	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1	Likhitha Infrastructure Limited	6120.00	120	October 15, 2020	136.60	16.14%, [10.22%]	41.43%, [23.74%]	170.87%, [24.84%]
2	Siddhika Coatings Limited	469.68	57	April 7, 2021	56.95	0.88%, [0.02%]	21.05%, [7.18%]	62.72%, [20.05%]
3	Bombay Metrics Supply Chain Limited	428.54	93	October 12, 2021	103.20	28.35%, [0.62%]	59.09%, [1.22%]	329.09%, [-2.57%]
4	Sigachi Industries Limited	12,542.85	163	November 15, 2021	603.75	150.80, [-4.90%]	96.26%, [-4.18%]	65.28%, [-12.85%]
5	HP Adhesives Limited	12,596.33	274	December 27, 2021	334.95	42.34%, [0.14%]	38.21%, [0.39%]	31.30%, [-7.34%]
6	Integrated Personnel Services Limited	1,274.40	59	November 11, 2022	66.50	37.63% [0.80%]	-	-
7	All E Technologies Limited	4,377.60	90	December 21, 2022	125.00	23.72% [-0.94]	-	-

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see

the website [www.unistonecapital.com](http://www.unistonecapital.com)

Notes:

- (a) Source: [www.nseindia.com](http://www.nseindia.com) for the price information
- (b) Wherever 30th/90th/180th calendar day from the listing day is a holiday, the closing data of the next trading day has been considered.
- (c) The Nifty 50 index is considered as the benchmark index

#### Summary statement of price information of past public issues handled by Unistone Capital Private Limited

Financial year	Total no. of IPO	Total funds Raised (₹ Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at discount on 180 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 180 <sup>th</sup> Calendar day from listing date		
			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%
<b>FY 2020-21</b>	1	61.20	-	-	-	-	-	1	-	-	-	1	-	-
<b>FY 2021-22</b>	4	260.37	-	-	-	1	2	1	-	-	-	2	1	1
<b>FY 2022-23</b>	2	60.94	-	-	-	-	2	-	-	-	-	-	-	-

*\*The information is as on the date of the document. The information for each of the financial years is based on issues listed during such financial year.*

#### Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website [www.unistonecapital.com](http://www.unistonecapital.com)

## **PREVIOUS RIGHTS AND PUBLIC OFFERS**

Except as stated in the section titled “*Capital Structure*” beginning on page 60 of this Draft Red Herring Prospectus, we have not made any previous rights and/or public offers during last 5 years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is first “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations.

## **COMMISSION AND BROKERAGE ON PREVIOUS OFFERS**

Since this is the initial public Issue of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

## **CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATES**

Neither our Company nor any of our Group Companies/ Subsidiaries/Associates have undertaken any capital Issue or any public or rights Issue in the last three years preceding the date of this Draft Red Herring Prospectus. Further, as on date of this Draft Red Herring Prospectus our Company has no listed subsidiary.

## **PERFORMANCE VIS-A-VIS OBJECTS FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTERS COMPANY**

Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding performance vis-à-vis objects is not applicable to us. Further, as on date of this Draft Red Herring Prospectus our Company has no any listed corporate promoters and no listed subsidiary company.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY**

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

## SECTION VII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being Allotted pursuant to this issue shall be subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchange, the RoC and any other authorities while granting their approval for the Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except Anchor investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

Further vide the said circular Registrar to the Issue and Depository Participants have also been authorized 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 the Registrar to the Issue and Depository Participants and when the same is made available.

#### Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank *pari-passu* in all respects including dividend with the existing Equity Shares including rights in respect of dividends and other corporate benefits, if any, declared by after the date of Allotment Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning from page 254 of this Draft Red Herring Prospectus.

#### Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on December 08, 2022, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the EGM of the Company held on January 02, 2023.

#### Mode of Payment of Dividend

The declaration and payment of dividend, if declared, will be as per the provisions of Companies Act, 2013, SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard, the Memorandum and Articles of Association, and recommended by the Board of Directors and approved by 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. For further details, “*Dividend Policy*” and “*Main Provisions of Articles of Association*” beginning on page 144 and 254 respectively of this Draft 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 and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the Bid Lot will be decided by our Company in consultation with the BRLM, and published by our Company in all edition of [●] (a widely circulated English national daily newspaper) and all edition of [●] (a widely circulated Hindi national daily newspaper) and Gujarat edition of the Gujarati Regional newspaper [●], 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 the same on their website. 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 at 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 the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with SEBI (ICDR) Regulations, 2018**

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 our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and 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 and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page **Error! Bookmark not defined.** of this Draft Red Herring Prospectus.

### **Allotment only in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

Tripartite agreement dated August 05, 2022 between our Company, NSDL and the Registrar to the Issue. Tripartite agreement dated July 27, 2022 between our Company, CDSL and the Registrar to the Issue. The Company's shares bear an ISIN: INE0MSS01019.

### **Market Lot and Trading Lot**

Trading of the Equity Shares will happen in dematerialised form, the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Minimum Number of Allottees**

In accordance with Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of Issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

**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 under 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 outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction 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.

### **Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint with benefits of survivorship.

### **Nomination facility to Bidders**

In accordance with Section 72(1) & 72(2) 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(3) 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 accordance to Section 72(4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors 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 will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

### **Withdrawal of the Issue**

The Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

The final listing and trading approvals of National Stock Exchange of India Limited for listing of Equity Shares offered through this Issue on its SME Platform, which the Company shall apply for after Allotment and,

In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The 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 Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh issue document with the stock exchange where the Equity Shares may be proposed to be listed.

### **Bid/Issue Program**

<b>BID/ISSUE OPENS ON</b>	<b>[●]day, [●], 2023*</b>
<b>BID/ISSUE CLOSE ON</b>	<b>[●]day, [●], 2023**</b>

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

*\*\*Our Company may, in consultation with the Book Running Lead Manager, 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.*



The Anchor Investor Bid/ Issue Period will be one Working Day prior to the Bid/ Issue Opening Date i.e., [●], in accordance with the SEBI ICDR Regulations

- 1) In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the Issue shall be open after at least three working days from the date of filing the Draft Red Herring Prospectus with the Registrar of Companies.
- 2) In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public Issue shall be kept open for at least three working days and not more than ten working days.
- 3) In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (Issue) period disclosed in the red herring prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is applicable to our company as this is Book Building issue.
- 4) In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the Issue period disclosed in the Draft Red Herring Prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation 266(1).

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

Event	Indicative Date
Issue Closing Date	[●]day, [●], 2023
Finalization of Basis of Allotment with NSE	On or about, [●]day, [●], 2023
Initiation of Refunds / unblocking of funds from ASBA Account*	On or about, [●]day, [●], 2023
Credit of Equity Shares to demat account of the Allottees	On or about, [●]day, [●], 2023
Commencement of trading of the Equity Shares on NSE	On or about, [●]day, [●], 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 for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/withdrawal/deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the SCSB 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. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

The processing fees for applications made by the UPI 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 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

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 NSE is taken within six Working Days from the Issue Closing Date, the time table may change due to various factors, such as extension of the Issue Period by our Company 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.

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.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the

Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public Issues, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on 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 SCSB's shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/ Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (Issue) period disclosed in the red herring prospectus (in case of a book built issue) or the Issue period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Issue Period not exceeding 10 working days.**

In case of any delay in unblocking of amounts in the ASBA Accounts 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 Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Separately, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensated on period
Delayed unblock for cancelled / withdrawn / deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	Instantly revoke the blocked funds other than the original application amount and ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount,	From the date on which multiple amounts were blocked till the date of actual unblock

Scenario	Compensation amount	Compensated on period
	whichever is higher	
Blocking more amount than the Bid Amount	Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual Unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Bids and any revision in Bids shall be accepted only between 10.00 a.m. and 5.00 p.m. [Indian Standard Time (“IST”)] during the Bid / Issue Period (except on the Bid / Issue Closing Date) at the Bidding Centers as mentioned on the Application Form except that:

on the Bid / Issue Closing Date:

- (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.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

### Minimum Subscription

In terms of Regulation 260(1) of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level. For details of underwriting arrangement, kindly refer the chapter titled “*General Information-Underwriting*” beginning on page 50 of this Draft Red Herring Prospectus.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the issuer shall

forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information-Underwriting*” beginning on page 50 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be 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.

*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 is not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

#### **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, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

#### **New Financial Instruments**

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Issue.

#### **Migration to Main Board**

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the NSE EMERGE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulation, our Company may migrate to the main board of NSE from the NSE EMERGE on a later date subject to the following:

If the Paid up Capital of the Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principle approval from the main board), we shall have to apply to NSE for listing our

shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid-up Capital of the Company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares issued through this Issue are proposed to be listed on the NSE EMERGE (SME Platform of NSE) 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 NSE EMERGE. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 50 of this Draft Red Herring Prospectus.

### **ARRANGEMENT FOR DISPOSAL OF ODD LOT**

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 EMERGE Platform of National Stock Exchange of India Limited.

### **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.

### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

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 60 of this Draft 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. For details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 254 of this Draft Red Herring Prospectus.

*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 is not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post Issue capital is less than ten crores rupees. The Company shall Issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of NSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on pages 201 and 214 respectively, of this Draft Red Herring Prospectus.

Initial public offering upto 14,40,000 Equity Shares of face value of ₹ 10 each, for cash at a price of ₹ [●] per Equity Share comprising of Fresh Issue. The Issue shall constitute [●] % of the post-Issue paid-up Equity Share capital of our Company.

In terms of Rule 19(2)(b) of the SCRR, the Issue is being made through the Book Building Process, in compliance with Regulation 252 of the SEBI ICDR Regulations:

Particulars	QIB's <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders	Market Maker
<b>Number of Equity Shares*</b>	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares
<b>Percentage of Issue Size Available for allocation</b>	Not more than 50.00% of the Net Issue size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only	Not less than 15.00% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35.00% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation 5.01% of the Issue Size	[●]% of the Issue Size

Particulars	QIB's <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders	Market Maker
<b>Basis of Allotment / Allocation if respective category is oversubscribed</b>	Proportionate as follows (excluding the Anchor Investor Portion: (a) up to [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) [●] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled “ <i>Issue Procedure</i> ” beginning on page 214.	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “ <i>Issue Procedure</i> ” on page 214.	Firm Allotment
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).			
<b>Minimum Bid Size</b>	[●] Equity Shares of Face Value of ₹ 10.00 each	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds ₹ 2,00,000	[●] Equity Shares of Face Value of ₹ 10.00 each	[●] Equity Shares of Face Value of ₹ 10.00 each
<b>Maximum Bid Size</b>	Not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Not exceeding the size of the Issue, 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	[●] Equity Shares

\* Assuming full subscription in the Issue

- (1) Our Company may in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For further details, see “*Issue Procedure*” on page 214.
- (2) Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 253 of the SEBI ICDR Regulations.

*Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. 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. For further details, please see "Terms of the Issue" on page 201.*

- (3) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

### **Withdrawal of the Issue**

The Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

The final listing and trading approvals of National Stock Exchange of India Limited for listing of Equity Shares offered through this Issue on its SME Platform, which the Company shall apply for after Allotment and,

In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The 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 Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh issue document with the stock exchange where the Equity Shares may be proposed to be listed.

### **ISSUE PROGRAMME**

<b>ISSUE OPENING DATE</b>	<b>[●]day, [●], 2023</b>
<b>ISSUE CLOSING DATE</b>	<b>[●]day, [●], 2023</b>

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e.,



Monday to Friday (excluding any public holiday).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Bidder shall be compensated in accordance with the applicable law by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in our Company with the SCSBs, to the extent applicable.

### **Lot Size**

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (“Circular”) standardized the lot size for Initial Public Issue proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

<b>Issue Price (in ₹)</b>	<b>Lot Size (No. of shares)</b>
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Book Running Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and the UPI Circulars, notified by SEBI (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, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI (ICDR) Regulations. The General Information Document shall be made available on the websites of the Stock Exchanges, the Company and the Book Running Lead Manager before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to this Issue.*

*Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Investors applying through the Unified Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) Designated Date; (ix) disposal of Applications; (x) submission of Application Form; (xi) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xiii) mode of making refunds; and (xiv) 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 Retail Individual Investors 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 RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such 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 will be 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, has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. This circular is effective for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus.

*Thereafter, the final reduced timeline may be made effective using the UPI Mechanism for*

applications by Retail Individual Investors (“**UPI Phase III**”), as may be prescribed by SEBI. Accordingly, the Issue will be made under UPI Phase II, unless UPI Phase III becomes effective and applicable on or prior to the Bid / Issue Opening Date. If the Issue is made under UPI Phase III, the same will be advertised in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●] and Gujarati editions of the regional newspaper, [●] (Gujarati being the regional language of Gujarat, where our Registered Office is located) on or prior to the Bid / Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their websites. Further SEBI vide circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 have brought the implementation of the aforesaid circular dated March 16, 2021 in accordance with the revised timelines for certain of its provisions based on representations received from the stakeholders due to Covid-19 pandemic. The revisions of the circular dated June 02, 2021 are elaborated as under:

- SCSB’s shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc. shall be included in SMS for Public Issues opening on/after January 01, 2022.
- The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.
- In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB’s etc., the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Offer process.
- The Stock Exchanges and Book Running Lead Manager shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.
- The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e, the day when the Basis of Allotment (BOA) has to be finalized.
- The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.
- Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1 and ensure that the unblocking is completed on T+4.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their applications 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 Draft Red Herring Prospectus.

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, which came into

*force for public Issue opening on or after May 01, 2022 has decided that all Individual Investors applying in Public Issues where the application amount is upto ₹ 5 Lakhs may also use UPI.*

*Further, SEBI vide its circular bearing reference number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchange shall, for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

*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 and the Prospectus.*

*Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

*Further, our Company and BRLM are not liable for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in the Issue.*

## **PART A**

### **Book Built Process**

The 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 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company in consultation with the BRLM, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% 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 spillover 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 according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish

the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the relevant Bidding Centres, and at our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. UPI Bidders shall Bid in the Issue through the UPI Mechanism.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected. For further details on the UPI Channel please refer SEBI circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder, pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

UPI Bidders Bidding 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 Forms that do not contain the UPI ID 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. UPI Bidders 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 authorising 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. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The prescribed colors of the Application Form for various investors applying in the Issue are as follows:

<b>Categories</b>	<b>Color*</b>
<b>Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Investors, each resident in India and Eligible NRIs applying on a non-repatriation basis<sup>(1)</sup></b>	<b>White</b>
<b>Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)<sup>(1)</sup></b>	<b>White</b>
<b>Anchor Investors<sup>(2)</sup></b>	<b>White</b>

*\*Excluding Electronic Application Form*

*Notes:*

- (1) *Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com))*
- (2) *Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager.*

For ASBA Forms (other than UPI Bidders using the UPI Mechanism), the Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any escrow collection bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded during the Bid Period and the modification / updation of Bids shall close at 5.00 pm on the Bid / Issue Closing Date.

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, UPI Bidders Bidding using through the UPI Mechanism 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. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and such payment of processing fees to the SCSBs shall be made in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of the Bid/ Issue Opening Date till the date of listing of the Equity Shares, with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any), across intermediaries and any such processes having an impact /bearing on the Issue Bidding process.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from

the website of the Stock Exchange shall bear a system generated unique application number. Applicants 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 application form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

<b>Sr. No.</b>	<b>Designated Intermediaries</b>
<b>1.</b>	<b>An SCSB, with whom the bank account to be blocked, is maintained</b>
<b>2.</b>	<b>A syndicate member (or sub-syndicate member)</b>
<b>3.</b>	<b>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')</b>
<b>4.</b>	<b>A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</b>
<b>5.</b>	<b>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)</b>

Retail 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 Application Form. It is clarified that Retail Individual Bidders may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

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 application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	<b>After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.</b>
<b>For application submitted by investors to intermediaries other than SCSBs:</b>	<b>After accepting the 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 application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.</b>

<p><b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b></p>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange.</p> <p>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.</p> <p>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.</p>
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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 Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

### **Availability of Draft Red Herring Prospectus and Application Forms**

The Application Forms and copies of the Draft Red Herring Prospectus may be obtained from the Registered Office of our Company and Book Running Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE [i.e. www.nseindia.com](http://www.nseindia.com).

### **Who can apply?**

In addition to the category of Applicants as set forth under "General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- a. Indian national resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);



- b. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d. Mutual Funds registered with SEBI;
- e. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this 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. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- 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 applicant'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 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. Insurance funds set up and managed by army, navy or air force of the Union of India;
- s. Multilateral and bilateral development financial institution;
- t. Eligible QFIs;

- u. Insurance funds set up and managed by army, navy or air force of the Union of India;
- v. Insurance funds set up and managed by the Department of Posts, India;
- w. Any other persons 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 RBI regulations, OCBs cannot participate in this Issue.

**MAXIMUM AND MINIMUM APPLICATION SIZE**

**For Retail Individual Applicants**

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 Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

**For Other than Retail Individual Applicants (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 Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. 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 Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

**BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on 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).
- b) 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).
- c) 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 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 (2) above.
- d) 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 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 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. 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 Draft Red Herring Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
  - As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - The balance net Issue of shares to the public shall be made available for allotment to Individual applicants other than retail individual investors and Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - The unsubscribed portion of the net Issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

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 Stock Exchange. The Executive Director / Managing Director of 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.

#### **Participation by Associates /Affiliates of BRLM and the Market Makers**

The BRLM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towers fulfilling their underwriting and market making obligations. However, associates/affiliates of the BRLM/ Underwriters and Market Maker, if any may subscribe to Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Promoter and Promoter Group and any persons related to our Promoter and Promoter Group cannot participate in the Issue.

### **BIDS BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the members of the Syndicate, the sub-Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB 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 to block their Non- Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Issue.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Application Form for residents. Eligible NRIs bidding on a repatriation basis are advised to use the Application Form meant for Non-Residents. For details of restrictions on investment by NRIs, please refer to the chapter titled “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page **Error! Bookmark not defined.** of this Draft Red Herring Prospectus.

### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, 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 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 by HUFs may be considered at par with Bids from individuals.

### **BIDS BY FPIs INCLUDING FIIS**

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely ‘foreign institutional investors’ and ‘qualified foreign investors’ are subsumed under a new category namely ‘foreign portfolio investors’ or ‘FPIs’. RBI on March 13, 2014, amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

### **Option to Subscribe in the Issue**

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.

The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

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 Applicants:**

Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

Copies of the Application Form along with Abridged Prospectus and copies of the 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 Application Forms will also be available on the websites of the Stock Exchange.

Any applicant who would like to obtain the Draft Red Herring Prospectus and/ or the Application Form can obtain the same from our Registered Office.

Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

The 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 application forms that do not contain such details are liable to be rejected.

Applicants applying directly through the SCSBs should ensure that the 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 Application Form, before entering the ASBA application into the electronic system.

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 Applicants, or in the case of application in joint names, the first Applicant (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 Application Form without PAN is

liable to be rejected. The demat accounts of Applicants 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 Applicants.

The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the 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 Application Form is liable to be rejected.

#### **Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

#### **Applications by eligible NRIs on Repatriation Basis**

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

#### **Application by FPIs (including FIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

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.

- a. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may Issue, 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 that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations; and
- b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

#### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations,

2012 prescribes investment restrictions for various categories of AIF's. The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Applicant.

### **Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made. Custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "IRDAI Investment Regulations"), as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- i. 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;
- ii. 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
- iii. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case may be.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 2,500 Lacs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 Lacs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

With respect to the applications by VCFs, FVCIs and FPIs, 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 their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of ₹ 2500 Lacs and pension funds with minimum corpus of ₹ 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the Book Running Lead Manager may deem fit.

### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of ₹ 2,500 Lacs (subject to applicable law) and pension funds with minimum corpus of ₹ 2,500 Lacs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our 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 filing of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Draft Red Herring Prospectus.

### **Applications by Banking Companies**

In case of Applications 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 Application Form, failing which our Company reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered with the IRDA, a certified copy of certificate of registration issued by IRDA must 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.

**Applications by Systemically Important Non-Banking Financial Companies** In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such

other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time. Issue Procedure for Application Supported by Blocked Account (ASBA) Applicants

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager is not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

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 Application Form, please refer the above-mentioned SEBI link.

### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below:

- 1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹200 lakhs. A Bid cannot be submitted for over 60.00% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200 lakhs.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date.
- 5) Our Company in consultation with the BRLM will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
  - a. maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹200 lakhs;
  - b. minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200 lakhs but up to ₹2,500 lakhs, subject to a minimum Allotment of ₹100 lakhs per Anchor Investor; and
  - c. in case of allocation above ₹2,500 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 lakhs, and an additional 10 Anchor Investors for every additional ₹2,500 lakhs, subject to minimum allotment of ₹100 lakhs per Anchor Investor.

- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) One half of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.
- 10) Neither the BRLM or any associate of the BRLM (other than mutual funds sponsored by entities which are associate of the BRLM or insurance companies promoted by entities which are associate of the BRLM or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLM or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLM shall apply under the Anchor Investors category. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

### **Method and Process of Applications**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at

the time of receipt.

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries there than SCSBs:</b>	After accepting the application form, respective Designated 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 application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### **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 Applicants.

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 applicants 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 Applicants.

## **Payment mechanism**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the 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 Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until 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 Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors 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.

## **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40 (3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case maybe.

## **Maximum and Minimum Application Size**

The applications in this Issue, being a Book Built issue, will be categorized into two; For Retail Individual Applicants.

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ [●]

## **For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.

A person shall not make an application in the net issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits

prescribed for them by applicable laws.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

### **Option to Receive Equity Shares in Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

### **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 with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the 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 Applicants, 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 Application Forms to Designated Branches of the SCSBs for blocking of funds:

<b>S. No.</b>	<b>Details*</b>
<b>1.</b>	<b>Symbol</b>
<b>2.</b>	<b>Intermediary Code</b>
<b>3.</b>	<b>Location Code</b>
<b>4.</b>	<b>Application No.</b>
<b>5.</b>	<b>Category</b>
<b>6.</b>	<b>PAN</b>
<b>7.</b>	<b>DP ID</b>
<b>8.</b>	<b>Client ID</b>
<b>9.</b>	<b>Quantity</b>
<b>10.</b>	<b>Amount</b>

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - 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 an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA 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 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.

Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.



10. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
11. 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 is cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
12. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the 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.
13. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Allocation of Equity shares**

1. The Issue is being made through the Book Built Process wherein [●] Equity Shares shall be reserved for Market Maker and [●] Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
2. Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

#### **Signing of Underwriting Agreement and Filing of Prospectus with ROC**

- i. Our company will enter into an Underwriting agreement before filing prospectus.

- ii. A copy of the Red Herring Prospectus will be filed with the RoC in terms of Section 26 and 32 of Companies Act, 2013.

### **Pre-Issue Advertisement**

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. Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

### **Issuance of Allotment Advice**

Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website.

On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to the Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants 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 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

### **ADVERTISEMENT REGARDING ISSUE PRICE AND RED HERRING PROSPECTUS**

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the floor Price and cap price.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the “Stated Minimum Amount” has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of Issue of the Draft Red Herring Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as maybe prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Issue document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies act, 2013.

## **General Instructions**

### **Do's:**

1. Check if you are eligible to apply;
2. Read all the instructions carefully and complete the applicable Application Form;
3. Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
4. All Bidders should submit their Bids through the ASBA process only;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Application Form;
7. Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
8. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Application Form;
9. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
10. RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
11. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account

linked UPI ID to make an application in the Issue;

12. RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
13. RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
14. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
15. If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms;
17. QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
18. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the 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;
19. Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
20. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
21. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
22. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries
23. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. 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;

24. Ensure that the Demographic Details are updated, true and correct in all respects;
25. 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;
26. Ensure that the category and the investor status is indicated;
27. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
28. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
29. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
30. Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Draft Red Herring Prospectus;
31. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
32. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
33. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
34. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form at the time of submission of the Bid;
35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
36. 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 Application Form;

37. RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank before 5:00 p.m. on Bid / Issue Closing Date.
38. 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 authorize blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
39. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
40. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.

The 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 apply for lower than the minimum Application size;
2. Do not apply for a price different from the price mentioned herein or in the Application Form;
3. Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
4. RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;>
5. RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;>
6. Do not send Application Forms by post, instead submit the Designated Intermediary only;
7. Do not submit the Application Forms to any non-SCSB bank or our Company.
8. Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
9. Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
10. Do not apply for an Application Amount exceeding ₹ 2,00,000 (for applications by Retail Individual Applicants);
11. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

12. Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
13. Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
14. Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;
15. All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021;
16. Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
17. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Other instructions for the Bidders**

##### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Bidder would be required in the Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

All communications may be addressed to such Bidders and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

##### **Multiple Bids**

A Bidder should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, the sub-Syndicate, SCSB, Registered Broker, RTA and CDP and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

##### **Investor Grievance**

In case of any pre-Issue or post-Issue related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

##### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

## **SUBMISSION OF BIDS**

- I. During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- II. In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block BidAmount based on the Cap Price less Discount (if applicable).
- III. For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the Draft Red Herring Prospectus.

## **GROUND OF TECHNICAL REJECTIONS**

Bidders are advised to note that SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com)

### **Applicant'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 Application Form is mandatory and applications that do not contain such details are liable to be rejected.

**Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Book Running Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Application Form**



All 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 application form, in physical or electronic mode, respectively.

### **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 SME Platform of NSE 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:

- Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and
- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

### **Grounds for Rejection**

Applicants are advised to note that Applications are liable to be rejected *inter alia* on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;

- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- The amounts mentioned in the Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Applications as defined in the Draft Red Herring Prospectus;
- Applications made using a third-party bank account or using third party UPI ID linked bank account
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

### **Equity Shares in Dematerialized Form with NSDL or CDSL**

- a. An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b. The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- c. Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d. Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e. If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- f. The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g. It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h. The trading of the Equity Shares of our Company would be only in dematerialized form.

### **Communications**

Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

### **EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated August 05, 2022 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated July 27, 2022 among CDSL, the Company and the Registrar to the Issue.
- c. The Company's shares bear ISIN no INE0MSS01019.

<b>To,</b> <b>Anushree Vijay</b> <b>Jay Kailash Namkeen Limited</b> Aji Vashahat GIDC A/15, Rajkot-360003, Gujarat, India. <b>Tel No.:</b> 0281-2389727 <b>Website:</b> <a href="http://www.jaykailashnamkeen.com">www.jaykailashnamkeen.com</a> <b>Email id:</b> <a href="mailto:cs@jaykailashnamkeen.com">cs@jaykailashnamkeen.com</a>	<b>To,</b> <b>Rati Gupta</b> <b>Skyline Financial Services Private Limited</b> D-153A, 1 <sup>st</sup> floor, Okhla Industrial area, Phase I, New Delhi-110 020, India <b>Telephone :</b> 011 4045 0193 / 197 <b>Facsimile:</b> 011 2681 2683 <b>Email:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> <b>Investor grievance Email:</b> <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a> <b>Contact Person :</b> Rati Gupta <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>SEBI Registration No:</b> INR000003241 <b>CIN :</b> U74899DL1995PTC071324
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### **Payment into Escrow Account(s) for Anchor Investors**

Our Company, in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of:

- (a) In case of resident Anchor Investors: “[●] -IPO-Anchor Investor-R”; and
- (b) In case of Non-Resident Anchor Investors: “[●] -IPO-Anchor Investor-NR”.

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company and the Syndicate, if any the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor 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: (all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national and regional daily newspaper each with wide circulation and Gujarati regional language newspaper [●]. 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

### **Disposal of Applications and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the StockExchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the Issue.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of 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.”

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

## **PROCEDURE AND TIME OF FOR ALLOTMENT AND DEMAT CREDIT**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the 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**

#### **Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

- a) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- b) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account which will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

### **Basis of Allotment**

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

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).

For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

Each successful applicant shall be allotted [●] equity shares; and

The successful applicants out of the total applicants for that category shall be determined by the 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 (2) above.

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.

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.

Since present Issue is a Book Built Issue, the allocation in the net Issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) *not less than thirty-five per cent. to retail individual investors;*
- b) *not less than fifteen per cent. to non-institutional investors;*
- c) *not more than fifty per cent. to qualified institutional buyers, five per cent. of which shall be allocated to mutual funds:*

*Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in any other category:*

*Provided further that in addition to five per cent. allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.*

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.

Names of entities responsible for finalizing the **Basis of Allotment** in the event of Under Subscription

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of NSE – 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, 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.

### **Undertakings by Our Company**

We undertake as follows:

- That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of closure of the Issue;

- That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That our Promoter's contribution in full has already been brought in;
- That no further Issue of Equity Shares shall be made till the Equity Shares offered through the Draft Red Herring Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and that none of the promoter or directors of the company is wilful defaulter or Fraudulent Borrower under Section 5(c) of SEBI (ICDR) Regulations, 2018.

### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- a) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- b) Details of all monies utilized out of the Issue referred above 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;
- c) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and.
- d) Our Company shall comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- e) Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- f) Our Company undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

## 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 DIPP, has issued consolidated FDI Policy Circular of 2020 (“**FDI Policy 2020**”), which with effect from October 15, 2020, 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 from time to time and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The RBI issues Master Directions on Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, 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 Directions.

Under the current applicable FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our Company is involved in the business of manufacturing. 100% foreign direct investment through automatic route is permitted in the sector in which our Company operates.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “Issue Procedure” on page 214. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Issue Period.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such**



**jurisdiction**

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION VIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

ARTICLE NO.	INTERPRETATION	HEADING
1.	<p>In these Articles unless there be something in the subject matter or context inconsistent therewith:</p> <ul style="list-style-type: none"> <li>a) “The Act” means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.</li> <li>b) “Articles” means Articles of Association of the Company as originally framed or altered from time to time</li> <li>c) “Beneficial Owner” shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.</li> <li>d) “Board” or “Board of Director” means the Collective body of the Board of Directors of the Company.</li> <li>e) “Chairman” means the Chairman of the Board of the Directors of the Company.</li> <li>f) “The Company” means Jay Kailash Namkeen Limited.</li> <li>g) “Depositories Act, 1996” shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.</li> <li>h) “Depository” shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.</li> <li>i) “Directors” mean the Directors for the time being of the Company.</li> <li>j) “Dividend” includes any interim dividend.</li> <li>k) “Document” means a document as defined in Section 2 (36) of the Companies Act, 2013.</li> <li>l) “Equity Share Capital”, with reference to any Company limited by shares, means all share capital which is not preference share capital;</li> <li>m) “KMP” means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.</li> <li>n) “Managing Director” means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.</li> <li>o) “Month” means Calendar month.</li> <li>p) “Office” means the registered office for the time being of the Company.</li> <li>q) “Paid-up share capital” or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;</li> <li>r) “Postal Ballot” means voting by post or through any electronic mode.</li> <li>s) “Proxy” includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.</li> </ul>	Interpretation

ARTICLE NO.	INTERPRETATION	HEADING
	<p>t) “Public Holiday” means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.</p> <p>u) “Registrar” means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.</p> <p>v) “Rules” means the applicable rules as prescribed under the relevant sections of the Act for time being in force.</p> <p>w) “SEBI” means Securities &amp; Exchange Board of India established under Section 3 of the Securities &amp; Exchange Board of India Act, 1992.</p> <p>x) “Securities” means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)</p> <p>y) “Share” means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.</p> <p>z) “Seal” means the common seal of the Company.</p> <p>aa) “Preference Share Capital”, with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to—</p> <ol style="list-style-type: none"> <li>i. payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and</li> <li>ii. repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;</li> </ol> <p>bb) “Persons” include corporations and firms as well as individuals.</p> <p>Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.</p> <p>Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.</p> <p>‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.</p>	
2.	<p>The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.</p>	Share Capital

ARTICLE NO.	INTERPRETATION	HEADING
3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company 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. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.	
4.	Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.	Issue of Sweat Equity Shares
5.	The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, 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 the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board 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.	Issue of Debentures
6.	<p>i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within fifteen days (15) of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,—</p> <p>a. one certificate for all his shares without payment of any charges; or</p> <p>b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.</p> <p>ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;</p> <p>iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>iv. In respect of any 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 for a share to one of several joint holders shall be sufficient delivery to all such holders.</p>	Issue of Share Certificate
7.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back 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 is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty Rupees for each certificate.	
8.	Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be	

ARTICLE NO.	INTERPRETATION	HEADING
	compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	
9.	The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company..	
10.	<ul style="list-style-type: none"> <li>i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.</li> <li>ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</li> <li>iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.</li> </ul>	Power to pay Commission In connection with the Securities issued
11.	<ul style="list-style-type: none"> <li>i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.</li> <li>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.</li> </ul>	Variations of Shareholder's rights
12.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.	
13.	Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.	Issue of Preference Shares
14.	<ul style="list-style-type: none"> <li>i. Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered: <ul style="list-style-type: none"> <li>a. to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.</li> <li>b. to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.</li> <li>c. to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a</li> </ul> </li> </ul>	Further Issue of shares

ARTICLE NO.	INTERPRETATION	HEADING
	<p>registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</p> <p>ii. The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>iii. Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:  Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.</p>	
15.	<p>i. The Company shall have a first and paramount lien—</p> <ol style="list-style-type: none"> <li>on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</li> <li>on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company;</li> <li>Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares</li> </ol> <p>Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p>	Lien
16.	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:</p> <p>Provided that no sale shall be made—</p> <ol style="list-style-type: none"> <li>unless a sum in respect of which the lien exists is presently payable; or</li> <li>until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</li> </ol>	
17.	<ol style="list-style-type: none"> <li>To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</li> <li>The purchaser shall be registered as the holder of the shares comprised in any such transfer.</li> <li>The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</li> </ol>	
18.	<ol style="list-style-type: none"> <li>The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</li> <li>The residue, if any, shall, subject to a like 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.</li> </ol>	

ARTICLE NO.	INTERPRETATION	HEADING
19.	<p>Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles: -</p> <ol style="list-style-type: none"> <li>a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.</li> <li>b) The joint-holders of any shares 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.</li> <li>c) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.</li> <li>d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.</li> <li>e) 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, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.</li> <li>f) <ol style="list-style-type: none"> <li>i. Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.</li> <li>ii. Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.</li> </ol> </li> <li>g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.</li> </ol>	Joint Holdings
20.	<ol style="list-style-type: none"> <li>i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:  Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.</li> <li>ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.</li> <li>iii. A call may be revoked or postponed at the discretion of the Board.</li> </ol>	Calls on Shares
21.	A call shall be deemed to have been made at the time when the resolution of the	



ARTICLE NO.	INTERPRETATION	HEADING
	Board authorising the call was passed and may be required to be paid by instalments.	
22.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	
23.	<p>i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.</p> <p>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	
24.	<p>i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.</p> <p>ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture</p> <p>iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p>	
25.	<p>The Board—</p> <p>i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and</p> <p>ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.</p>	
26.	<p>Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.</p> <p>Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.</p>	
27.	The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.	
28.	The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.	
29.	<p>i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.</p> <p>ii. Each share in the Company shall be distinguished by its appropriate number.</p> <p>iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.</p>	Transfer of Shares
30.	i. The instrument of transfer of any share in the Company shall be executed by	



ARTICLE NO.	INTERPRETATION	HEADING
	<p>or on behalf of both the transferor and transferee.</p> <p>ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.</p>	
31.	<p>The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-</p> <p>i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>ii. any transfer of shares on which the Company has a lien.</p> <p>Provided however that the Company will not decline to register or acknowledge any transfer of shares 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.</p>	
32.	<p>The Board shall decline to recognise any instrument of transfer unless—</p> <p>i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares.</p> <p>Provided that, transfer of shares in whatever lot shall not be refused.</p> <p>iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),</p> <p>iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter, then the securities will be transferred;</p> <p>v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.</p>	
33.	<p>The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay</p>	
34.	<p>On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year</p>	
35	<p>The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.</p>	
36.	<p>The Company shall keep a book to be called the "Register of Transfers" and</p>	Register of

ARTICLE NO.	INTERPRETATION	HEADING
	therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.	Transfers
37.	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.</p> <p>a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.</p> <p>b. Option for Investor Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities. If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security</p> <p>c. Securities in Depository to be in fungible form: -</p> <ul style="list-style-type: none"> <li>• All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.</li> <li>• Nothing contained in Sections 88, 89, 112 &amp; 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</li> </ul> <p>d. Rights of Depositories &amp; Beneficial Owners: - Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.</p> <p>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.</p> <p>iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply</p>	Dematerialisation of Securities

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	<p>to Securities held with a Depository.</p> <p>vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.</p> <p>vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.</p>	
38.	<p>i. 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 persons recognised by the Company as having any title to his interest in the shares.</p> <p>ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	Transmission of Shares
39.	<p>i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <ol style="list-style-type: none"> <li>to be registered himself as holder of the share; or</li> <li>to make such transfer of the share as the deceased or insolvent member could have made.</li> </ol> <p>ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>	
40.	<p>i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>	
41.	<p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>Provided 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, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>	

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42.	<p>The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p> <p>No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of administration, Certificate of Death or marriage, power of attorney or similar other documents.</p>	
43.	If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.	Forfeiture of Shares
44.	<p>The notice aforesaid shall—</p> <ol style="list-style-type: none"> <li>name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and</li> <li>state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.</li> </ol>	
45.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	
46.	<ol style="list-style-type: none"> <li>A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</li> <li>At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</li> </ol>	
47.	<ol style="list-style-type: none"> <li>A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.</li> <li>The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.</li> </ol>	
48.	<ol style="list-style-type: none"> <li>A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited 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 share;</li> <li>The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;</li> <li>The transferee shall thereupon be registered as the holder of the share; and</li> <li>The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.</li> </ol>	
49.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	
50.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers	

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	hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for 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 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.	
51.	Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	
52.	The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	
53.	The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	
54.	The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	
55.	Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to 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 proceeding to enforce forfeiture of such shares as hereinafter provided.	Initial payment not to preclude forfeiture
56.	The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	Alteration of Share Capital
57.	Subject to the provisions of section 61, the Company may, by ordinary resolution,— i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; iv. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	
58.	Where shares are converted into stock,— i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations 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	Conversion of Shares into Stock

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	<p>the nominal amount of the shares from which the stock arose.</p> <p>ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>iii. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.</p>	
59.	<p>The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —</p> <p>i. its share capital;</p> <p>ii. any capital redemption reserve account; or</p> <p>iii. Any share premium account.</p>	Reduction of Capital
60.	<p>The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (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 of a share warrant.</p> <p>The bearer of a share warrant may at any time, deposit the warrant in 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 calling 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 days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.</p> <p>Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days written notice, return the deposited share warrants to the depositor.</p> <p>Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>The bearer of 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 holders of shares included in the warrant, and he shall be a member of the Company.</p> <p>The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.</p>	Share Warrants
61.	<p>i. The Company in general meeting may, upon the recommendation of the Board, resolve—</p> <p>a. that it is desirable to capitalise any part of the amount for the time</p>	Capitalization of Profits

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	<p>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 (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—</p> <p>a. paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid;</p> <p>c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);</p> <p>d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</p> <p>e. The Board shall give effect to the resolution passed by the Company in pursuance of this -regulation.</p> <p>iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.</p>	
62.	<p>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall power—</p> <p>a. make all appropriations and applications of the undivided profits resolved to be capitalised 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>ii. The Board shall have power—</p> <p>a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and</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 capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;</p> <p>Any agreement made under such authority shall be effective and binding on such members.</p>	
63.	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	Buy back of Shares



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	law for the time being in force, the Company may purchase its own shares or other specified securities.	
64.	All General Meetings other than annual general meeting shall be called extra-ordinary general meetings	General Meeting
65.	<ul style="list-style-type: none"> <li>i. The Board may, whenever it thinks fit, call an extraordinary general meeting.</li> <li>ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.</li> <li>iii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.</li> </ul>	
66.	<p>No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.</p> <ul style="list-style-type: none"> <li>i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.</li> <li>ii. In any other case, the quorum shall be decided as under: <ul style="list-style-type: none"> <li>a. fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</li> <li>b. thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</li> </ul> </li> </ul>	
67.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.	Proceedings at General Meetings
68.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	
69.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.	
70.	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	
71.	A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.	
72.	<ul style="list-style-type: none"> <li>i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a</li> </ul>	Demand for Poll



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	<p>demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.</p> <p>ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</p>	
73.	<p>i. A poll demanded on a question of adjournment shall be taken forthwith.</p> <p>ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.</p>	Time of taking Poll
74.	<p>i. 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.</p> <p>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>iii. 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.</p> <p>iv. 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.</p>	Adjournment of Meeting
75.	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <p>i. on a show of hands, every member present in person shall have one vote; and</p> <p>ii. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.</p>	Voting Rights
76.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	
77.	<p>i. 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.</p> <p>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	
78.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, 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.	
79.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (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 such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.	
80.	Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.	
81.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been	

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	paid.	
82.	<p>i. 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.</p> <p>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</p>	
83.	No member shall exercise any voting right 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 of lien.	
84.	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.	Casting Vote
85.	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.	Representation of Body Corporate
86.	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.	Circulation of member's Resolution
87.	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.	Resolution requiring special notice
88.	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date	Resolutions passed at adjourned meeting
89.	The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.	Registration of resolutions and agreements
90.	<p>i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.</p> <p>ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed:</p> <p>a. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>b. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of</p>	Minutes of proceedings of general meeting and of Board and other meetings

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	<p>thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.</p> <p>c. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>d. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>e. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>f. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <p style="padding-left: 40px;">i. the names of the Directors present at the meetings, and</p> <p style="padding-left: 40px;">ii. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</p> <p>iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <p style="padding-left: 40px;">a. is or could reasonably be regarded, as defamatory of any person</p> <p style="padding-left: 40px;">b. is irrelevant or immaterial to the proceedings; or</p> <p style="padding-left: 40px;">c. in detrimental to the interests of the Company.</p> <p>iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.</p>	
91.	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	Minutes to be considered to be evidence
92.	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.	Publication of reports of proceeding of general meetings
93.	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.	Proxy
94.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	
95.	<p>A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:</p> <p>Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.</p>	

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96.	The First Directors of the Company shall be: i. Mr. Neel Narendrabhai Pujara ii. Mrs. Tulsi Neel Pujara	Board of Directors
97.	The Directors need not hold any “Qualification Share(s)”.	
98	<p>Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:</p> <p>He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.</p> <p>Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.</p>	
99.	<p>i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</p> <p>ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them—</p> <p>a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</p> <p>b. in connection with the business of the company.</p>	
100.	The Board may pay all expenses incurred in getting up and registering the company.	
101.	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.	
102.	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	

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103.	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.	
104.	<p>i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.</p> <p>ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.</p>	
105.	Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.	Retirement and Rotation of Directors
106.	The remaining Directors shall be appointed in accordance with the provisions of the Act.	
107.	At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.	
108.	Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.	
109.	Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.	
110.	Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.	
111.	Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as "the Corporation") continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.	Nominee Director
112.	The terms and conditions of appointment of a Nominee Director/s shall be	

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	governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.	
113.	The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.	
114.	<p>The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.</p> <p>Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.</p>	
115	Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.	
116.	The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.	Removal of Director
117.	Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.s	
118.	On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be	



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	heard on the resolution at the meeting.	
119.	<p>Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,</p> <ol style="list-style-type: none"> <li>in any notice of the resolution given to members of the Company state the fact of the representations having been made, and</li> <li>send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:</li> </ol> <p>Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.</p>	
120.	A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.	
121.	A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.	
122.	<p>If the vacancy is not filled under clause (5) above, it may be filled as a casual vacancy in accordance with the provisions of this Act:</p> <p>Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.</p>	
123.	<p>Nothing in this section shall be taken-</p> <ol style="list-style-type: none"> <li>as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or</li> <li>as derogating from any power to remove a director under other provisions of this Act.</li> </ol>	
124.	<p>Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.</p> <p>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.</p> <ol style="list-style-type: none"> <li>In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or</li> <li>In connection with the business of the Company.</li> </ol>	Remuneration and sitting fees to Directors including Managing and whole time Directors

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125.	Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of ₹ 1,00,000/- (Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 & 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.	
126.	<p>i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.</p> <ol style="list-style-type: none"> <li>The power to make calls on shareholders in respect of money unpaid on their shares;</li> <li>The Power to authorize buy-back of securities under Section 68 of the Act.</li> <li>Power to issue securities, including debenture, whether in or outside India</li> <li>The power to borrow moneys</li> <li>The power to invest the funds of the Company,</li> <li>Power to Grant loans or give guarantee or provide security in respect of loans</li> <li>Power to approve financial statements and the Board's Report</li> <li>Power to diversify the business of the Company</li> <li>Power to approve amalgamation, merger or reconstruction</li> <li>Power to take over a Company or acquire a controlling or substantial stake in another Company</li> <li>Powers to make political contributions;</li> <li>Powers to appoint or remove key managerial personnel (KMP);</li> <li>Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</li> <li>Powers to appoint internal auditors and secretarial auditor;</li> <li>Powers to take note of the disclosure of director's interest and shareholding;</li> <li>Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;</li> <li>Powers to invite or accept or renew public deposits and related matters;</li> <li>Powers to review or change the terms and conditions of public deposit;</li> <li>Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</li> </ol> <p>Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent</p>	<p>Powers and duties of Directors:</p> <p>Certain powers to be exercised by the Board only at meeting</p>



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	<p>specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.</p> <p>ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.</p> <p>iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p> <p>iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.</p> <p>v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.</p>	
127.	<p>i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting:</p> <ol style="list-style-type: none"> <li>sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;</li> <li>remit, or give time for the repayment of any debt, due by a Director;</li> <li>invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;</li> <li>borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will 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 specific purpose; or</li> <li>contribute to <i>bona fide</i> charitable and other funds, aggregate of which in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings.</li> </ol> <p>ii. Nothing contained in sub-clause (a) above shall affect:</p> <ol style="list-style-type: none"> <li>the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or</li> <li>the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.</li> </ol> <p>iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may</p>	Restriction on powers of Board

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	<p>result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.</p> <p>iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.</p>	
128.	Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.	
129.	Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.	General powers of the Company vested in Directors
130.	<p>Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:</p> <p>i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;</p> <p>ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;</p> <p>iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;</p> <p>iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares 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, debenture stock 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;</p>	Specific Power given to Directors

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	<p>v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;</p> <p>vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;</p> <p>vii. 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 building, 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;</p> <p>viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;</p> <p>ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;</p> <p>x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;</p> <p>xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;</p> <p>xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;</p> <p>xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.</p> <p>xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits</p>	

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	<p>of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;</p> <p>xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.</p> <p>xx. At any time and from time to time by power of attorney 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 Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.</p> <p>xxi. To enter into all such negotiations, contracts and rescind and/or vary all such</p>	

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	contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;	
131.	<p>i. Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p> <p>ii. Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.</p> <p>iii. Subject to the provisions of Sections 197 &amp; 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.</p>	<p><b>MANAGING DIRECTORS</b></p> <p>Power to appoint Managing or Whole-time Directors</p>
132.	<p>i. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>ii. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>	Proceedings of the Board
133.	The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.	
134.	<p>i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p> <p>ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>	
135.	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.	
136.	The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	
137.	<p>i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>ii. 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 directors present may choose one of their number to be Chairperson of the meeting.</p>	
138.	<p>i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.</p> <p>ii. Any committee so formed shall, in the exercise of the powers so delegated,</p>	Delegation of Powers of Board to Committee

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	conform to any regulations that may be imposed on it by the Board.	
139.	i. A committee may elect a Chairperson of its meetings. ii. 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.	i. A committee may meet and adjourn as it thinks fit. ii. 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.	All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	
142.	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held	
143.	Subject to the provisions of the Act— 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; ii. A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer
144.	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, 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.	
145.	i. The Board shall provide for the safe custody of the seal. ii. 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 authorised 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.	The Seal
146.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	Dividends and Reserve
147.	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.	
148.	i. 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	

ARTICLE NO.	INTERPRETATION	HEADING
	<p>provision for meeting contingencies or for equalising 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>ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	
149.	<p>i. 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>ii. 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>iii. 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>	
150	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	
151.	<p>i. 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>ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	
152.	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	
153.	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.	
154.	<p>No dividend shall bear interest against the Company.</p> <p>Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;</p>	
155.	<p>Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.</p> <p>The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection</p>	

ARTICLE NO.	INTERPRETATION	HEADING
	Fund established under section 125 of the Act.	
156.	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	
157.	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	
158.	<p>i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.</p> <p>ii. No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.</p>	Accounts
159.	<p>Minutes Books of General Meetings</p> <p>i. The books containing the minutes of the proceedings of any general meeting of the Company shall;</p> <p>a. be kept at the registered office of the Company, and</p> <p>b. be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.</p> <p>Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance.</p> <p>ii. Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of ₹ 10/- (Ten Rupees only) for each page or part thereof.</p>	Inspection of Statutory Documents of the Company:
160.	<p>Register of charges:</p> <p>i. The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.</p> <p>ii. The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—</p> <p>a. by any member or creditor without any payment of fees; or</p> <p>b. by any other person on payment of such fees as may be prescribed,</p> <p>Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.</p>	
161.	<p>i. The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>ii. Appointment of Auditors shall be governed by provisions of Companies Act</p>	Audit



ARTICLE NO.	INTERPRETATION	HEADING
	<p>2013 and rules made there under.</p> <p>iii. The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.</p> <p>iv. The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.</p>	
162.	<p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <p>i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.</p>	Winding up
163.	<p>Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under—</p>	Indemnity
164.	<p>i. Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board 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.</p> <p>ii. No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.</p>	Secrecy

## **SECTION IX – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts, not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus, which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus, will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from date of filing the Draft Red Herring Prospectus with RoC to Issue Closing Date on Working Days from 10.00 a.m. to 5.00 p.m.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable laws.

#### **Material Contracts:**

- 1) Issue Agreement dated February 11, 2023 between our Company and the BRLM.
- 2) Registrar Agreement dated January 20, 2023 between our Company and the Registrar to the Issue.
- 3) Underwriting Agreement dated [●] between our Company the BRLM and Underwriter(s).
- 4) Banker to the Issue Agreement dated [●] among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
- 5) Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated August 05, 2022
- 6) Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated July 27, 2022
- 7) Market Making Agreement dated [●], between our Company, Lead Manager and Market Maker.

#### **Material Documents**

1. Certified true copy of the Memorandum and Articles of Association of our Company as amended from time to time;
2. Certificate of incorporation dated June 13, 2021 and conversion from OPC into private limited company dated May 25, 2022 and conversion to Public limited Company dated June 24, 2022;
3. Board resolution and special resolution passed pursuant to Section 62 (1)(c) of the Companies Act, 2013 by the Board and shareholders of our Company approving the Issue, at their meetings held on December 08, 2022 and January 02, 2023 respectively;
4. Resolution of the Board of Directors of our Company dated February 11, 2023 approving the Draft Red Herring Prospectus.
5. Copies of annual reports of our Company for the preceding Fiscal;
6. Board Resolution and Special resolution passed by the Board and shareholders of our Company approving appointment of Neel Narendrabhai Pujara as Managing Director, at their meetings held June 27, 2022 and June 27, 2022 respectively;
7. Consent dated January 02, 2023, from the statutory & peer review auditor, Kumbhat & Co., Chartered Accountants, to include their name as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Statutory Auditors and in respect of the: (i) Restated Financial Statements and their examination report dated January 02, 2023 (ii) the statement of tax benefits dated January 02, 2023 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

8. Consents of Promoter, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company, Legal Advisor to the Issue, Lead Manager, Registrar to the Issue, and Advisor to the issue to include their names in the Draft Red Herring Prospectus and to act in their respective capacities.
9. Due Diligence Certificate from Book Running Lead Manager dated February 11, 2023 addressed to SEBI from the BRLM.
10. Copy of In-Principle Approval from NSE by way of letter dated [●], to use the name of NSE in this issue document for listing of Equity Shares on NSE EMERGE (EMERGE Platform of The National Stock Exchange of India Limited).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF THE COMPANY**

**Sd/-**

**Neel Pujara**  
**Managing Director**

**s**

**Place: Rajkot**

**Date: February 11, 2023**

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF THE COMPANY**

**Sd/-**

**Mitul Undhad**

**Independent Director**

**Place: Rajkot**

**Date: February 11, 2023**

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF THE COMPANY**

**Sd/-**

**Hasmukhrai Bhagdev  
Non-Executive Director**

**Place: Rajkot**

**Date: February 11, 2023**

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF THE COMPANY**

**Sd/-**

**Rakesh Popat**  
**Independent Director**

**Place: Rajkot**

**Date: February 11, 2023**

## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines SEBI issued by established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR & KMP OF THE COMPANY**

**Sd/-**

**Tulsi Pujara**

**WTD & CFO**

**Place: Rajkot**

**Date: February 11, 2023**



## **DECLARATION**

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and Correct.

### **SIGNED BY THE KMP OF THE COMPANY**

**Sd/-**

**Anushree Vijay**

**Company Secretary and Compliance Officer**

**Place: Rajkot**

**Date: February 11, 2023**