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HOAC FOODS INDIA LIMITED
Corporate Identification Number: U15120DI2018PLC330739

DRAFT PROSPECTUS

Dated: February 21, 2024
(Please read section 26 of the Companies Act, 2013)
(This Draft Prospectus will be updated upon filing with the RoC)
100% Fixed Price Issue

REGISTERED OFFICE D-498, 1st Floor Palam Extension Sector-7 Dwarka, Raj Nagar - II, South West Delhi, New Delhi, Delhi, India, 110077		CONTACT PERSON Ms. Bhawna Agarwal Company Secretary and Compliance Officer		TELEPHONE AND EMAIL Tel: +91 97178 38568 Email: info@attahariom.com		WEBSITE www.hoacfoodsindia.com	
PROMOTERS OF OUR COMPANY: MR. RAMBABU THAKUR, MRS. GAYTRI THAKUR AND MR. YASHWANT THAKUR							
DETAILS OF THE ISSUE							
TYPE		FRESH ISSUE SIZE (IN ₹ LAKHS)		ISSUE SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)		TOTAL ISSUE SIZE	
Fresh Issue		₹[●] Lakhs		Nil		₹[●] Lakhs	
ELIGIBILITY & SHARE RESERVATION AMONG QIB, NII & RII The Issue is being made pursuant to Regulation 229(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended ("SEBI ICDR Regulations"). For details in relation to share reservation among Non-Institutional Investors and Retail Individual Investors see "Issue Structure" on page 199.							
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES							
RISKS IN RELATION TO THE FIRST ISSUE							
This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis for Issue Price" beginning on page 78 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor 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 Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on Page No. 26 of this Draft Prospectus.							
ISSUER'S ABSOLUTE RESPONSIBILITY							
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect..							
LISTING							
The Equity Shares offered through this Draft Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In - Principle approval letter dated [●] from National Stock of India Limited.							
LEAD MANAGER: GYR CAPITAL ADVISORS PRIVATE LIMITED							
NAME AND LOGO		CONTACT PERSON				E-MAIL ID AND TELEPHONE	
 GYR Capital Advisors Private Limited		Mr. Mohit Baid				Telephone: +91 87775 64648 E-mail: info@gyrcapitaladvisors.com	
REGISTRAR TO THE ISSUE: KFIN TECHNOLOGIES LIMITED							
NAME AND LOGO		CONTACT PERSON				E-MAIL ID AND TELEPHONE	
 KFIN TECHNOLOGIES LIMITED		Mr. M Murali Krishna				Email: cinward.ris@kfintech.com ; Tel No.: +91 40 6716 2222	
ISSUE PROGRAMME							
ISSUE OPENS ON: [●]		ISSUE CLOSES ON: [●]^					

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



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HOAC FOODS INDIA LIMITED
Corporate Identification Number: U15120DL2018PLC330739

Our Company was originally incorporated with the name as "Hoac MP Atta Spices Manufacture Private Limited" a private limited company on March 13, 2018 under the Companies Act, 2013, with Registrar of Companies, Delhi bearing registration number 330739. Thereafter, the company name was changed to 'Hoac Foods India Private Limited' dated November 03, 2021. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed by our Shareholders at an Extraordinary general meeting held on October 13, 2023 and consequently the name of our Company was changed to 'Hoac Foods India Limited' and a fresh certificate of incorporation dated 30th October, 2023 was issued by the Registrar of Companies, Delhi at New Delhi.

Registered Office: D-498, 1st Floor Palam Extension
 Sector-7 Dwarka, Raj Nagar - II, South West Delhi, New Delhi, Delhi, India, 110077
Telephone: +91 9717838568; **Email:** info@attahariom.com; **Website:** www.hoacfoodsindia.com;
Contact Person: Ms. Bhawna Agarwal, Company Secretary and Compliance Officer;

PROMOTERS OF OUR COMPANY: MR. RAMBABU THAKUR, MRS. GAYTRI THAKUR AND MR. YASHWANT THAKUR	
PUBLIC ISSUE OF UP TO 12,00,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") OF HOAC FOODS INDIA LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING UPTO ₹ [●] LAKHS ("ISSUE") OF THE ISSUE, [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 192 OF THE DRAFT PROSPECTUS.	
THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10/- AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE	
In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post- Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NII and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage.	
In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 201 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.	
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 of our Company. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis for Issue Price" beginning on page no. 78 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing	
GENERAL RISK	
Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer 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 the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page number 26 under the section 'General Risks'.	
OUR COMPANY'S ABSOLUTE RESPONSIBILITY	
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect..	
LISTING	
The Equity Shares offered through this Draft Prospectus are proposed to be listed on the EMERGE platform of National Stock Exchange of India Limited ("NSE"). Our Company has received an 'In principle' approval letter dated [●] from National Stock Exchange of India Limited for using its name in this issue document for listing our shares on the EMERGE Platform of the National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited. ("NSE").	
LEAD MANAGER	
 GYR CAPITAL ADVISORS PRIVATE LIMITED 428, Gala Empire, Near JB Tower, Drive in Road, Thaltej, Ahemdabad-380 054, Gujarat, India. Telephone: +91 8777564648 E-mail id: info@gyrcapitaladvisors.com Website: www.gyrcapitaladvisors.com Investor Grievance e-mail ID: investors@gyrcapitaladvisors.com Contact Person: Mr. Mohit Baid SEBI Registration Number: INM000012810 CIN: U67200GJ2017PTC096908	 KFIN TECHNOLOGIES LIMITED Selenium Tower- B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032, Telangana, India. Tel No.: +91 40 6716 2222 Fax: +91 40 2343 1551 Website: www.kfintech.com Email: hoacfoods.ipo@kfintech.com ; Investor Grievance Email: cinward.ris@kfintech.com ; Contact Person: Mr. M Murali Krishna SEBI Registration No.: INR000000221 CIN: L72400TG2017PLC117649
ISSUE PROGRAMME	
ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

^ UPI mandate end time and date

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

TABLE OF CONTENTS

SECTION I – GENERAL	5
DEFINITIONS AND ABBREVIATIONS	5
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION	17
FORWARD-LOOKING STATEMENTS	19
SECTION- II - ISSUE DOCUMENT SUMMARY	21
SECTION III – RISK FACTOR	26
SECTION IV – INTRODUCTION	48
THE ISSUE	48
SUMMARY OF FINANCIAL INFORMATION	49
GENERAL INFORMATION	50
CAPITAL STRUCTURE	59
OBJECTS OF THE ISSUE	71
BASIS FOR ISSUE PRICE	78
STATEMENT OF POSSIBLE TAX BENEFITS	82
SECTION V – ABOUT THE COMPANY	84
INDUSTRY OVERVIEW	84
OUR BUSINESS	93
KEY INDUSTRIAL REGULATIONS AND POLICIES	120
HISTORY AND CORPORATE STRUCTURE	129
OUR MANAGEMENT	133
OUR PROMOTERS AND PROMOTER GROUP	146
GROUP COMPANY	150
DIVIDEND POLICY	151
SECTION VI: FINANCIAL INFORMATION OF THE COMPANY	152
RESTATED FINANCIAL STATEMENTS	152
OTHER FINANCIAL INFORMATION	153
STATEMENT OF FINANCIAL INDEBTEDNESS	154
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS	155
CAPITALISATION STATEMENT	170
SECTION VII. LEGAL AND OTHER INFORMATION	171
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS	171
GOVERNMENT AND OTHER APPROVALS	173
OTHER REGULATORY AND STATUTORY DISCLOSURES	180
SECTION VIII: ISSUE RELATED INFORMATION	192
TERMS OF THE ISSUE	192
ISSUE STRUCTURE	199
ISSUE PROCEDURE	201
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	251
SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION	253
SECTION X: OTHER INFORMATION	266
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	266
DECLARATION	267

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Issue related terms used but not defined in this Draft Prospectus shall have the meaning ascribed to such terms under the General Information Document.

Notwithstanding the foregoing, the terms used in “Industry Overview”, “Key Regulations and Policies”, “Statement of Special Tax Benefits”, “Financial Information”, “Basis for Issue Price”, “Outstanding Litigation and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” beginning on pages 84, 120, 82, 171, and 253 respectively, shall have the meaning ascribed to them in the relevant section.

Company related terms

Term	Description
“our Company”, “the Company” or “the Issuer”	Hoac Foods India Limited , a public limited company incorporated in India under the Companies Act, 2013 having its Registered Office at D-498, 1st Floor Palam Extension Sector-7 Dwarka, Raj Nagar - II, South West Delhi, New Delhi, Delhi, India, 110077
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.
AoA /Articles of Association or Articles	The articles of association of our Company, as amended.
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “Our Management – Committees of our Board of Directors – Audit Committee” on Page 133
Auditors/ Statutory Auditors	The statutory auditors of our Company, currently being M/s Krishan Rakesh & Co., Chartered Accountants
Bankers to our Company	HDFC Bank Limited and YES Bank Limited are Bankers of our Company
Board/ Board of Directors	Board of directors of our Company, as described in “Our Management”, beginning on page 133
Chief Financial Officer/CFO	Chief financial officer of our Company is Mr. Manish Sharma. For details, see “Our Management” on page 133
Chairman	Chairman of our Company is Mr. Yashwant Thakur. For details, see “Our Management” on page 133
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, Ms. Bhawna Agarwal. For details, see “Our Management” beginning on page 133 Error! Bookmark not defined.
Director(s)	Directors on our Board as described in “Our Management”, beginning on page 133
Equity Shares	The equity shares of our Company of face value of ₹ 10/- each fully paid up, unless otherwise specified in the context thereof.
Executive Directors	Executive Directors of our Company
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see “Our Management” beginning on page 133
KMP/Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in “Our Management” on page 133
Materiality Policy	The policy adopted by our Board of Directors on January 15, 2024 for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure

	in this Draft Prospectus.
MD or Managing Director	The Managing Director of the Company is Mr. Rambabu Thakur. For details, see “Our Management” beginning on page 133.
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended.
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee” on page 133.
Non-Executive Director(s)	Non-executive directors on our Board, as described in “Our Management”, beginning on page
Peer Review Auditor	The Peer Reviewed Auditor of our company being M/s Krishan Rakesh & Co., Chartered Accountants
Promoters	The promoters of our Company, being Mr. Rambabu Thakur, Mrs. Gaytri Thakur and Yashwant Thakur. For details, see “Our Promoter and Promoter Group” on page 146
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “Our Promoter and Promoter Group” on page 146.
Registered Office	The registered office of our Company, situated at D-498, 1st Floor Palam Extension Sector-7 Dwarka, Raj Nagar - II, South West Delhi, New Delhi, Delhi, India, 110077.
Restated Financial Statements/ Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows, for the nine-month period ended on December 31, 2023, for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time
RoC /Registrar of Companies	The Registrar of Companies, New Delhi situated at 4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019
Shareholder(s)	Shareholders of our Company, from time to time
Stakeholders Relationship Committee	Stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “Our Management”, beginning on page 133
Subscriber to MOA	Subscriber to MOA are Mr. Rambabu Thakur, Mrs. Gaytri Thakur.
“you”, “your” or “yours”	Prospective Investors in this Issue

Issue Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to an Applicant as proof of registration of the Application Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue to the successful Applicants
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Applicant to whom the Equity Shares are Allotted
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application and authorising an SCSB to block the Bid Amount in the specified bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form
ASBA Applicant(s)	Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form including through UPI mode (as applicable)

Term	Description
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Prospectus
Banker(s) to the Issue	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [•]
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Applicant under the Issue, as described in “Issue Procedure” beginning on page 201
Bidding Centers	The centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centers	Broker centers notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker The details of such Broker Centers, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE
Covid-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organization.
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Demographic Details	Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and/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, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue
Designated Intermediaries/ Collecting agent	In relation to ASBA Forms submitted by RIBs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated SCSB	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms

Term	Description
Branches	submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)
DP ID	Depository Participant’s identity number
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
Draft Prospectus/DP	This Draft Prospectus February 21, 2024 issued in accordance with Section 26 of the Companies Act, 2013 and SEBI ICDR Regulation
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account
Escrow Account(s)	Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●]
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI 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, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the Lead Manager
Issue/Public Issue/Issue size/Initial Public Offer/Initial Public Offering/IPO	The initial public offer of up to 12,00,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●].
Issue Agreement	The agreement dated February 14, 2024 amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Lead and justified by the issuer in consultation with the lead manager(s) under the Draft Prospectus and the Prospectus being ₹ [●] per share.
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, see “Objects of the Issue” beginning on page of this Draft Prospectus

Term	Description
Issue Period	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see “Objects of the Issue” on page 7171 of this Draft Prospectus
Issue Opening	The date on which the Lead Manager, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Closing	The date after which the Lead Manager, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
KPI	Key Performance Indicators
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange
Lead Manager/ LM	The lead manager to the Issue, being GYR Capital Advisors Private Limited
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment
Market Maker	Market Maker of the Company, in this case being [●]
Market Maker Reservation Portion	The Reserved portion of [●] Equity shares of ₹ 10 each at an Issue Price of ₹[●] aggregating to ₹ [●] for Designated Market Maker in the Public Issue of our Company
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated [●]
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism
MSME	Micro Small and Medium Enterprises
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of ₹10 each fully paid for cash at a price of ₹[●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●]
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue. For further information about use of the Issue Proceeds and the Issue expenses, see “Objects of the Issue” on page 71
Non-Institutional Investors/ Non-Institutional Bidders/ NIB's	All Applicants that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue opening and closing dates, the size of the Issue and certain other information
Public Issue Account(s)	Account to be opened with Banker to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Public Issue Bank	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Application Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
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
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide

Term	Description
	terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI
Registrar Agreement	The agreement dated February 02, 2024 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue/ Registrar	Kfin Technologies Limited is the Registrar to the Issue/ Registrar
Retail Individual Investor(s)/ RII(s)	Individual Applicants, who have applied for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	The portion of the Issue being not less than 50 % of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion and remaining Equity Shares to be allotted on a proportionate basis.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
Self-Certified Syndicate Bank(s) or SCSB(s)	<p>The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.</p> <p>In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) as updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the</p>

Term	Description
	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the RIBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchange	National Stock Exchange of India Limited
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] among the Underwriter and our Company to be entered prior to filing of the Prospectus with RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. 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 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 websites 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 Circulars	Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated September 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated September 2, 2021, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated September 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI
UPI Mandate Request	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 Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make ASBA Bids in the Issue in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
U.S Securities Act	U.S Securities Act of 1933, as amended

Term	Description
Wilful Defaulter or Fraudulent Borrower	Wilful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Day	<p>All days on which commercial banks in Delhi, India are open for business, provided however, with reference to (a) announcement of the Issue Price; and (b) Issue Period, Term Description.</p> <p>The term “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Delhi, India are open for business and the time period between the Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI</p>

Conventional and General Terms and Abbreviations

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
Air Act	Air (Prevention and Control of Pollution) Act, 1981, as amended
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
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
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.

Term	Description
Depository or Depositories	NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extra ordinary general meeting
EMERGE	The SME platform of National Stock Exchange of India Limited
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
EUR/ €	Euro
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
FY	Financial Year
FPI(s)	Foreign Portfolio Investor, as defined under the FPI Regulations
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
FIPB	The erstwhile Foreign Investment Promotion Board
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
GDP	Gross domestic product
GoI or Government or Central Government	Government of India
GST	Goods and services tax
Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
HR	Human resource
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Ind AS or Indian Accounting Standards	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
IGAAP or Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR	Indian National Rupee

Term	Description
IPR	Intellectual property rights
IRR	Internal rate of return
IPO	Initial public offer
IRDAI	Insurance Regulatory Development Authority of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information technology
India	Republic of India
Listing Agreement	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges
LIBOR	London Inter-Bank Offer Rate
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MSME	Micro, Small, and Medium Enterprises
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NCDs	Non-Convertible Debentures
NBFC	Non-Banking Financial Company
NEFT	National electronic fund transfer
NFE	Net foreign exchange
NGT	The National Green Tribunal
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit after tax
PIO	Person of India Origin
R&D	Research and development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RONW	Return on net worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement

Term	Description
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax deduction account number
TDS	Tax deducted at source
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USA/ U.S. / US	The United States of America
USD / US\$	United States Dollars
UT	Union Territory
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

Technical/Industry Related Terms

Terms	Description
D2C	Direct to Consumer
FMCg	Fast-Moving Consumer Goods
GIS	GIS Geographical Information Systems
SKU	Stock Keeping Unit
MoRD	MoRD Ministry of Rural Development of the Government of India

MSP	MSP Minimum Support Payment
PLI	PLI Production Linked Incentive
SHGs	SHGs Self-Help Groups
FDI Foreign Direct Investment	FDI Foreign Direct Investment
GDP Gross Domestic Product	GDP Gross Domestic Product
IMF International Monetary Fund	IMF International Monetary Fund
U.S. United States of America	U.S. United States of America
US\$ United States Dollar	US\$ United States Dollar

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 253, 82,84, 120 and 152 respectively of this Draft Prospectus, will have the meaning ascribed to such terms in these respective sections.

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

Certain Conventions

All references to “India” contained in this Draft Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable. Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year. Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “Financial Information” on page 152 of this Draft Prospectus.

Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for the nine-month period ended on December 31, 2023, for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on page 26 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “Risk Factors”, “Industry Overview” and “Our Business” on pages 84 respectively, this Draft Prospectus

Currency and Units of Presentation

All references to:

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

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

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

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

Currency	Exchange Rate as on			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.12	82.21	75.80	73.50

Source: www.fbil.org.in Note: Exchange rate is rounded off to two decimal places

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions”, as defined in, and in reliance on Regulations.

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.

Industry and Market Data

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

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

In accordance with the SEBI ICDR Regulations, “Basis for Issue Price” on page 78 of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “Risk Factors” on page 26 of this Draft Prospectus.

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FORWARD-LOOKING STATEMENTS

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

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

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

- We are required to obtain licenses and approvals under several legislations. Our inability to obtain or renew such permits, approvals and licenses in the ordinary course of our business may adversely affect our business, financial condition and results of operations.
- We do not have long term agreements with suppliers for our raw materials and an increase in the cost of or a shortfall in the availability of such raw materials could have an adverse effect on our business, results of operations and financial condition.
- We conduct our business activities on a purchase order basis and therefore, have not entered into long-term agreements with our customers.
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Uncertainty regarding the market, economic conditions and other factors beyond our control;
- Inability to identify or effectively respond to consumer needs, expectations or trends in a timely manner;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects;
- Volatility of Loan interest rates and inflation;
- Our failure to keep pace with rapid changes in technology;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities; and
- Failure to successfully upgrade our products and service portfolio, from time to time.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on Page Nos. 26, 93 and 155 respectively, of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

such statements as a guarantee of future performance.

Forward-looking statements reflect current views as on the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the Lead Managers will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

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SECTION- II - ISSUE DOCUMENT SUMMARY

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including the sections entitled “Risk Factors”, “Industry Overview”, “Outstanding Litigation and Material Developments”, “Our Promoters and Promoter Group”, “Financial Statements”, “Objects of the Issue”, “Our Business”, “Issue Procedure” and “Description of Equity Shares and Terms of Articles of Association” on pages 26,84,171,146,152,71,93,201 and 253 respectively.

1. Summary of Industry

The fast-moving consumer goods (FMCG) sector is India’s fourth-largest sector and has been expanding at a healthy rate over the years as a result of rising disposable income, a rising youth population, and rising brand awareness among consumers. With household and personal care accounting for 50% of FMCG sales in India, the industry is an important contributor to India’s GDP. India is a country that no FMCG player can afford to ignore due to its middle-class population which is larger than the total population of the USA. The Indian FMCG market continues to rise as more people start to move up the economic ladder and the benefits of economic progress become accessible to the general public. More crucially, with a median age of just 27, India's population is becoming more consumerist due to rising ambitions. This has been further aided by government initiatives to increase financial inclusion and establish social safety nets.

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

For further details, please refer chapter titled “Our Industry” on page 84Error! Bookmark not defined. of this draft prospectus.

2. Summary of Business

We are engaged in the manufacturing of flour (chakki atta), herbs & spices, unpolished pulses, grains, and yellow mustard oil in our product range and markets & sell it in and around Delhi-NCR under the brand name “HARIOM”. We handpick our raw materials from various parts of the country and process our products with utmost care without using artificial preservatives or chemicals, thereby creating a product portfolio of organic spices and flour, which carry the freshness and goodness of each ingredient. Our unique model has helped us penetrate the niche segment of our market and establish a customer base in and around Delhi-NCR. Since our inception, our objective has been to produce high-quality natural spices and food products without artificial preservatives or synthetic substances. To achieve this, we have developed a unique business model in which we manufacture and package our products in quantities that can sustain a customer until the shelf life of the product, reducing waste and providing a diverse range of products with freshness and goodness.

Our Company was founded in 2018 by our Promoters, Rambabu Thakur, and Gaytri Thakur, who laid the foundation and formed as a Hoac MP Atta Spices Manufacture Private Limited with the objective of manufacturing flour, spice, and other food products. With the focus on providing quality food products, cost-effectiveness, and improved accessibility through company-owned outlets, franchisee outlets, and our mobile application. Their next generation, Yashwant Thakur continued the legacy and developed extensive experience and expertise in the industry. In addition to our leadership team, we have a qualified senior management team with experienced team in the field of production and sales of consumer goods, procurement of Agri-Commodities and franchisee relations management and development, which we believe positions us well to take advantage of future growth opportunities and drive our continued success.

For further details, please refer chapter titled “Our Business” on page 93 of this Draft Prospectus.

3. Names of the Promoters

As on the date of Draft Prospectus, Mr. Rambabu Thakur, Mrs. Gaytri Thakur and Mr. Yashwant Thakur are the promoters of the company. For further details please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 146 of this Draft Prospectus.

4. Details of the Issue

Initial Public Offer of up to 12,00,000 Equity Shares of face value of ₹ 10 each of the Company for cash at a price of ₹ [•] per Equity Share (including a share premium of ₹ [•] per Equity Share) aggregating upto ₹ [•] lakhs out of which issue of [•] Equity Shares aggregating to ₹ [•] lakhs shall be reserved for the market making and Equity Shares having face value of ₹10 each at a price of ₹ [•] per Equity Share aggregating ₹ [•] lakhs will be available for allocation to Retail Individual Investors and [•] Equity Shares having face value of ₹10 each at a price of ₹ [•] per Equity Share aggregating ₹ [•] lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.

For further details, please refer chapter titled “*The Issue*” and “*Other Regulatory and Statutory Disclosures*” beginning on page 48 and 180 of this Draft Prospectus.

5. Objects of the Issue

The objects for which the Net Proceeds from the Fresh Issue shall be utilised are as follows:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[•]
Less: Issue Related Expense	[•]
Net Proceeds of the Issue	[•]

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

(₹ in lakhs)

Sr. No.	Particulars	Amount	% of Net Proceeds
1.	Funding the working capital requirements of the company	Upto 350	[•]
2.	General Corporate Purpose ⁽¹⁾	[•]	[•]
Total		[•]	[•]

⁽¹⁾To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please refer the chapter titled “*Objects of the Issue*” beginning on page 71 of this Draft Prospectus.

6. AGGREGATE PRE ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

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

Following are the details of the pre-Issue shareholding of Promoters					
Sr. No.	Name of the Shareholders	Pre-Issue		Post Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Pre-Issue Equity Share Capital
Promoters					
1.	Rambabu Thakur	16,73,235	62.24	[•]	[•]
2.	Gaytri Thakur	10,14,475	37.74	[•]	[•]
3.	Yashwant Thakur	100	0.004	[•]	[•]
	Total (A)	26,87,810	99.98	[•]	[•]
Promoter Group					
4.	Urvashi Thakur	100	0.004	[•]	[•]

Sr. No.	Name of the Shareholders	Pre-Issue		Post Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Pre-Issue Equity Share Capital
5.	Rupesh Thakur	100	0.004	•	•
	Total (B)	200	0.008	•	•
	Total (A+B)	26,88,010	99.99	•	•

For further details, please refer the chapter titled “*Capital Structure*” on page 59 of this Draft Prospectus.

7. SUMMARY OF RESTATED FINANCIAL INFORMATION

Following are the details as per the Restated Financial Information for the nine-month period ended on December 31, 2023, for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021:

(₹ in Lakhs)

Sr no.	Particulars	For the period ended December 31, 2023	For the year ended		
			March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	268.82	21.70	21.70	10.00
2.	Net Worth	315.73	156.86	98.07	32.26
3.	Revenue from operations	1148.59	1208.56	1087.27	742.26
4.	Profit after Tax	74.50	58.79	27.33	12.85
5.	Earnings per Share (Post Bonus)	2.84	3.19	2.31	1.51
6.	Net Asset Value per equity share	11.74	72.29	45.19	32.26
7.	Total Borrowings	204.05	190.38	147.5	128.08

For further details, please refer the section titled “*Financial Information*” on page 152 of this Draft Prospectus.

8. AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

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

9. SUMMARY OF OUTSTANDING LITIGATION

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

- A) Litigations involving our Company
- B) Litigations filed against our Promoters
- C) Litigations filed against our Directors other than Promoters
- D) Litigations filed against our Group Companies

A (i) Cases filed against our Company:

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

*To the extent quantifiable

A (ii) Cases filed by our Company:

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

**To the extent quantifiable*

B) Litigations filed against our Promoters

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

**To the extent quantifiable*

C) Litigations filed against our Directors other than Promoters

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

**To the extent quantifiable*

D) Litigations filed against our Group Companies: Not Applicable

For further details, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 171 of this Draft Prospectus.

10. RISK FACTORS

Please refer the chapter titled “*Risk Factors*” beginning on page 26 of this Draft Prospectus.

11. SUMMARY OF CONTINGENT LIABILITIES

There is no contingent liability for the nine-month period ended on December 31, 2023, for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021.

For further details, please refer the chapters titled “*Restated Financial Information*” at page 152 of this Draft Prospectus.

12. SUMMARY OF RELATED PARTY TRANSACTIONS

For details, kindly refer “*Restated Financial Information*” from the chapter titled “*Restated Financial Information*” on Page No. 152 of this Draft Prospectus.

13. FINANCIALS ARRANGEMENTS

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the company who is a 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 other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Prospectus.

14. WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS DRAFT PROSPECTUS

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

Name of Promoter	No. of shares acquired in last one year from the date of this Draft Prospectus	Weighted Average Price (in ₹)
Rambabu Thakur	15,76,085	5.35
Gaytri Thakur	8,95,125	Nil
Yashwant Thakur	100	85.00

15. AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS

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

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)
Gaytri Thakur	10,14,475	2.63
Rambabu Thakur	16,73,235	6.34
Yashwant Thakur	100	85

16. PRE-IPO PLACEMENT

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

17. ISSUE OF EQUITY SHARES MADE IN LAST ONE YEAR FOR CONSIDERATION OTHER THAN CASH

Except following, Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Prospectus.

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment
22-09-2023	99,260	10	85	Consideration other than cash	Preferential Issue Upon Conversion of Loan into Equity

For further details, please refer the section titled “Capital Structure” on page no. 59 of this Draft Prospectus.

18. SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

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

19. EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

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

SECTION III – RISK FACTOR

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

To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on 84, 93 and 155 of this Draft Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

This Draft Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on 19 of this Draft Prospectus.

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

Materiality:

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

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

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

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

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

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

INTERNAL RISK FACTOR

BUSINESS RELATED RISKS

1. ***We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our manufacturing facility, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.***

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous.

Additionally, we have applied and are in the process of applying for certain approvals, licenses, registrations and permits, which are necessary for us to continue our business and need to be updated pursuant to conversion from private to public Company. For instance, our Company has applied for: registration of manufacturers/ packers/ importers under Rule 27 of the Legal Metrology (Packaged Commodities) Rules, 2011; for grant of License to manufacture, weights, measures, weighing or measuring instrument under the Legal Metrology Act, 2009; and for Registration Certificate of Shops and Establishment Certificate under the Punjab Shop and Commercial Establishment Act, 1958 for two of our Company Outlets. Further, our Company based on legal opinion, have formed a view that certain intimation/ licenses / approvals are not required. However, in case, the regulatory authorities deem that our Company ought to have obtained such approvals, our Company may have to obtain such licences/approvals and may also be subject to certain penalties or fines, if any.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will 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. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations. For further details regarding the material approvals, licenses, registrations and permits, which are, pending receipt or renewal, see "**Government and Other Statutory Approvals**" on page 173.

2. ***We do not manufacture some of our products such Pulses, Rice, Raw or Sabut Spices, Grains and Millets and Sugar and jaggery etc in our own capacity but procure the same from third party suppliers.***



Our Company does not have its own manufacturing facility for some of our products as Pulses, Rice, Raw or Sabut Spices, Grains and Millets and Sugar and Jaggery etc. and the same is procured from third party suppliers. Any decline in the quality of such products or delay in delivery of such products by such third parties, or rise in their costs or charges may adversely affect our operations. Further there can be no assurance that such parties shall continue business with us or would cater to demands of our competitors. We do not have any long term arrangements with such suppliers and if such suppliers terminate their business or supply similar products to our competitors at better rates, our result of operations and future prospects may be adversely affected. Further we are also indirectly exposed to the risks at the third party manufacturers' faces and hence any interruptions in the manufacturing operations at their end on account of natural disasters, labour problems, machinery breakdowns, etc. may adversely affect our supply chain and profit margins.

3. ***We operate in highly competitive markets, and the scale and resources of some of our competitors may allow them to compete more effectively than we can, which could result in a loss of our market share and a decrease in our net revenues and profitability***

Our industry is highly fragmented as there is competition from various organized and unorganized players. There are some of the organized players like: Gandhi Spices Private Limited (Hathi Masala), Adani Food Products Private Limited, Ramdev Food Private Limited, MDH Masala Private Limited, Baadshah Masala Private Limited, Everest Masala Private Limited. In the listed space we face competition from NHC Food Limited. Other than the organized players we also face competition from unorganized local suppliers. The growth trajectory in the industry has encouraged new entrants to enter into this industry with new business models. In such highly competitive environment, to gain more market share the players are likely to reduce the pricing which is a challenge for the existing players. We face intense competition from other retailers that market products similar to ours. We compete in various aspects, including brand recognition, value for money, product quality and pricing, supply chain management etc. Intensified competition may result in pricing pressures and reduced profitability and may impede our ability to achieve sustainable growth in our revenues or cause us to lose market share.

Our competitors may also engage in aggressive and negative marketing or public relations strategies which may harm our reputation and increase our marketing expenses. Any of these events could substantially harm our results of operations. Some of our existing and potential competitors enjoy substantial competitive advantages, including: longer operating history, the capability to leverage their sales efforts and marketing expenditures across a broader portfolio of products, more established relationships with a larger number of suppliers, contract manufacturers and channel partners, access to larger and broader customer base, greater brand recognition, greater financial, marketing, distribution and other resources and larger intellectual property portfolios. We cannot assure you that we will compete with them successfully.

4. *Our Company has applied for registration of the trademarks in its name. Until such registration is granted, we may not be able to prevent unauthorised use of such trademarks by third parties, which may lead to the dilution of our goodwill*

Our Company has made several applications under various classes for registration of our logo under the Trade Mark Act, 1999 which are pending as on date. However, some of the applications bearing numbers 6151521, 6151523 and 6151522 under classes 29 and 30 respectively for registration of our logo “” and “” under the Trade Mark Act, 1999 are objected as on date. There can be no assurance that we will be able to get these objections removed and the respective trademark applications registered.

Pending the registration of these trademarks, any other vendor in the similar line of business as ours may use the above-mentioned trademarks and we may have a lesser recourse to initiate legal proceedings to protect our intellectual property. Further, our applications for the registration of certain trademarks may be opposed by third parties, and we may have to incur significant cost in relation to these oppositions. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to use such trademarks and / or avail the legal protection or prevent unauthorized use of such trademarks by third parties, which may adversely affect our goodwill and business. For further details see “*Our Business - Intellectual Property*” and “*Government and Other Statutory Approvals*” on pages 93 and 173, respectively.

5. *Any non-compliance or delays in GST Return Filings, TDS EPF Payments may expose us to penalties from the regulators.*

As a Company, we are required to file GST returns and make payments in respect of Employee Provident Fund with the respectively authorities. However, there are certain inadvertent delays in relation to filing of GST returns and EPF payments in the past for which the Company have paid the penalties and taken the steps to improve the internal system for payment of GST to mitigate the technical difficulties and the Company has appointed an external consultant to ensure timely payment of towards EPF.

instances of noncompliance or delay in payment of statutory dues or fillings:

Period	Nature of Statutory Due	Type of Default	Amount (Rs.)
2020-21	ESI Deposit)	Late Deposit of ESI	19,160/-
2020-21	TDS	Interest on Late deposit of TDS	7,821/-
2021-22	TDS	Interest on Late deposit of TDS	29,000/-

2022-23	ESI	Late Deposit of ESI	6,922/-
2022-23	TDS	Interest on Late deposit of TDS	70,874/-
Apr 1 – Dec 31, 2023	ESI	Late Deposit of ESI	28,660/-
Apr 1 – Dec 31, 2023	PF	Late Deposit of PF	1,99,808
Apr 1 – Dec 31, 2023	TDS	Interest on Late deposit of TDS	70,911/-

However, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our GST filing or EPF payment in future, which may adversely affect our business, financial condition, and reputation.

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 pulses, spices like chillies, coriander powder and other raw materials. We source our raw materials from across the country to ensure that the products we manufacture have an authentic taste without artificially disturbing the natural taste of the spices or other food products. For instance, for our chilli powder we source our chillies from the farms of from Gadodia Market Kharibaoli and Sharbati Wheat and Madhya Pradesh lok one wheat sourced from Ashok Nagar and ganjbasoda in Madhya Pradesh and mustard seed for Mustard oil Sourced from Jodhpur Rajasthan and New anaj mandi Najafgarh in new Delhi Therefore, each of our products is made from the finest natural produce which caters to the genuine taste and an assurance of authenticity. 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 additional cost incurred on purchase of raw materials to our customers, may adversely affect our operations and financial conditions.

7. *We conduct our business activities on a purchase order basis and therefore, have not entered into long-term agreements with our customers.*

Our Company is engaged in the business of manufacturing of flour (chakki atta), herbs & spices, unpolished pulses, grains, and yellow mustard oil significantly on the basis of orders which are received from our franchise units . We have not entered into any formal agreements, arrangement or any other understanding with our franchise regarding the minimum purchase order and therefore, our business is dependent upon the continuous relationship with the franchise units and the quality of products supplied to us. Further, neither do we have any exclusive agents, dealers, distributors nor have we entered into any agreements with any of the market intermediaries for selling or marketing the products supplied to us. If there occurs any change in the market conditions, market trends, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

8. *The improper handling, processing or storage of our raw materials or products, or spoilage of and damage to such raw materials and products, or any real or perceived contamination in our products, could subject us to regulatory action, damage our reputation and have an adverse effect on our business, results of operations and financial condition.*

All the products that we manufacture are for human consumption and are subject to risks such as contamination, adulteration, and product tampering during their manufacture, transport or storage. Our raw materials and our products are required to be stored, handled, and transported at specific temperatures and under certain food safety conditions. Any

shortcoming in the production or storage of our products due to negligence, human error or otherwise, may damage our products and result in non-compliance with applicable regulatory standards. Any allegation that our products contain contaminants could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis.

The improper handling, processing or storage of our raw materials or products, or spoilage of and damage to such raw materials and products, or any real or perceived contamination in our products, could subject us to regulatory action, damage our reputation and have an adverse effect on our business, results of operations and financial condition.

9. Our business is dependent on our processing units for few products. The loss of or shutdown of operations of our processing units may have a material adverse effect on our business, financial condition and results of operations.

Our flour (chakki atta), herbs & spices, processing unit is subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, lock-outs, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results. We carry out planned shutdowns for maintenance. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition and results of operations may be adversely affected by any disruption of operations at our facilities, including due to any of the factors mentioned above.

10. Our operations are considerably located in Delhi -NCR and failure to expand our operations may restrict our growth and adversely affect our business.

Currently, we are carrying our business mainly in Delhi -NCR and hence our major revenues are generated from operations in these regions only. Geographical and functional expansion of our business domain requires establishment of adequate network. As we seek to diversify our regional focus, we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers. Our lack of exposure in geographical boundaries outside our operating regions could impact our future revenues, our operating results and financial conditions.

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

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

In the event, we are forced to shut down our manufacturing units for a prolonged period; it would adversely affect our earnings, our other results of operations and financial condition as a whole. Spiralling cost of living around our units may push our manpower costs in the upward direction, which may reduce our margin and cost competitiveness. For instance, due to the ongoing pandemic and the lockdown imposed by the Central Government and various state governments, we may be required to shut down our manufacturing units which may cause an adverse impact on our business operations, revenue, results of operations and financial conditions.

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

our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

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

Our products may contain certain quality issues or undetected errors, due to defects in manufacture of products or raw materials which are used in the products. We have implemented quality control processes for our raw materials and finished goods on the basis of internal quality standards. However, we cannot assure you that our quality control processes or our product will pass the quality tests and inspections conducted by various agencies as per their prescribed standards will not fail. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality control procedures, negligence and human error or otherwise, may damage our products and result in deficient products. It is imperative for us to meet the regulatory quality standards set by regulatory agencies and our customers as deviation from the same can cause them to reject our products and can also cause damage to our reputation, market standing and brand value.

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

13. Any adverse change in regulations governing our products and the products of our customers, may adversely impact our business prospects and results of operations.

Regulatory requirements with respect to our products and the products of our customers are subject to change. An adverse change in the regulations governing the development of our products and their usage by our customers, including the development of licensing requirements and technical standards and specifications or the imposition of onerous requirements, may have an adverse impact on our operations. Our Company may be required to alter our manufacturing and/or distribution process and target markets and incur capital expenditure to achieve compliance with such new regulatory requirements applicable to us and our customers.

We cannot assure you that we will be able to comply with the regulatory requirements. If we fail to comply with new statutory or regulatory requirements, there could be a delay in the submission or grant of approval for manufacturing and marketing new products or we may be required to withdraw existing products from the market. Moreover, if we fail to comply with the various conditions attached to such approvals, licenses, registrations and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to market such products and/or we may be deemed to be in breach of our arrangements with our customers. Consequently, there is an inherent risk that we may inadvertently fail to comply with such regulations, which could lead to forced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products, which may adversely impact our business, results of operations and financial condition.

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

The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our Company has a unique business model, wherein we market and sell our products directly to our customers, without involving any major intermediaries, which helps us provide complete revenue share to the farmers and provide cost competitive and affordable products to our customers. We manufacture unadulterated products and do not add any preservatives in our products. We sustain our products by manufacturing and packaging products in quantities which are proportionate to the shelf life of our product, in order to avoid wastage and deliver a wide range of products which carry the freshness and goodness of each ingredient.

Our business has two models: first is Business to customer (“B2C”) in nature, where we have company-owned stores and franchisee-run stores. Also we work on Omni-channel Approach where our products are available to our customers through distribution networks across both online and offline touch points. We strategically leverage our presence on online channel (both B2C platform which is our in-house built Mobile Application and Website and Retail Outlets). We do not have a distribution or a third-party marketing network, therefore we are highly dependent upon our internal sales and marketing teams.

We continuously seek to increase the penetration of our products with the continuous efforts of our sales and marketing teams by targeting different customer groups. We cannot assure you that we will be able to successfully deploy the efforts of our sales and marketing teams or effectively manage our existing network. If the terms offered to our sales and marketing executives by our competitors are more favourable than those offered by us, our sales and marketing executives may decline to distribute our products and terminate their arrangements with us. We may be unable to appoint replacement of our sales and marketing executives in a timely fashion, or at all, which may reduce our sales volumes and adversely affect our business, results of operations and financial condition.

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

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

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

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

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

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

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

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

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

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

- 18. We may be unable to grow our business in additional geographic regions or international markets, which may adversely affect our business prospects and results of operations.***

Our Company seeks to grow its market reach domestically to explore untapped markets and segments; however, we cannot assure you that we will be able to grow our business as planned. Infrastructure and logistical challenges in addition to the

advancement of research and development in the food and spices industry, changing customers' taste and preferences may prevent us from expanding our presence or increasing the penetration of our products. Further, customers may be price conscious and we may be unable to compete effectively with the products of our competitors. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

Further, expansion into new international markets is important to our long-term prospects. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each new country. We may face various risks, including legal and regulatory restrictions, increased advertising and brand building expenditure, challenges caused by distance, language and cultural differences, in addition to our limited experience with such markets and currency exchange rate fluctuations. International markets require a very high standard of quality of products and our Company may not be able to match the international standards thereby failing to make a brand presence in the international markets. If we are unable to make long-lasting relations with the major customers in the overseas market or if we are unable to justify the quality of our products to them, it may make it difficult for us to enter into such markets. These and other risks, which we do not foresee at present, could adversely affect any international expansion or growth, which could have an adverse effect on our business, results of operations and financial condition.

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

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

(₹ in lacs)

Particulars	For the period ended December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net Cash Flow from/(used in) Operating Activities	(43.01)	(20.52)	2.21	(26.00)
Net cash generated from/(used in) investing activities	(33.51)	(24.22)	(7.49)	(21.88)
Net Cash Flow from/(used in) Financing Activities	71.94	18.35	8.79	67.69

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

20. Our Company has availed certain unsecured loans which may be recalled at any time.

Our Company has availed certain unsecured loans of which an amount of ₹ 110.70 lakhs is outstanding for the nine months period ended December 31, 2023, which may be recalled at any time. In the event, any of such unsecured lenders seek a repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to undertake new projects or complete our ongoing projects. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see “**Financial Indebtedness**” on page 154 of this Draft Prospectus.

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

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

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

Our manufacturing units significant electricity requirements and any interruption in the supply of power may temporarily disrupt our operations. Since, we have a high power consumption, any unexpected or unforeseen increase in the tariff rates can increase the operating cost of our manufacturing units and thereby cause an increase in the production cost which we may not be able to pass on to our customers. There are limited number of electricity providers in the areas from where we operate due to which in case of a price hike, we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition, cash flows and results of operations. For further details, please refer to the chapter titled “***Our Business***” on page 93 of this Draft Prospectus.

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

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

Further, some of our competitors may be larger than we are or develop alliances to compete against us and may have greater resources, market presence and geographic reach and have products with better brand recognition than ours. Some of our competitors may be able to procure raw materials at lower costs than us, and consequently be able to sell their products at lower prices. As a result, our competitors may be able to withstand industry downturns better than us or provide customers with products at more competitive prices. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. Consequently, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition. We cannot assure you that we will be able to maintain our existing market share. Our competitors may significantly increase their marketing expenses to promote their brands and products, which may require us to similarly increase our advertising and marketing expenses and engage in effective pricing strategies, which we may not be able to pass on to our customers which in turn may have an adverse effect on our business, results of operations and financial condition. For further details, please see “***Industry Overview***” on page 84 of this Draft Prospectus.

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

Our Promoters, Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Director and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to the paragraphs titled — ***“Interest of our Directors”*** in the chapter titled — ***“Our Management”***, the paragraphs titled — ***“Interest of our Promoter and Other Interests and Disclosures”*** in the chapter titled — ***“Our Promoter and Promoter Group”***, ***“Financial Indebtedness”*** and ***“Restated Financial Information”*** on pages 133, 146, 154 **Error! Bookmark not defined.** and 152, respectively of this Draft Prospectus.

There can be no assurance that our Promoters, Directors, Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

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

Upon completion of this Issue, our Promoters and members of our Promoter Group will collectively hold 99.98 % of the Equity share capital of our Company. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Accordingly, our Promoters will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company’s best interest. The interests of our Promoters could conflict with the interests of our other equity shareholders, and our Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

26. The average cost of acquisition of Equity Shares held by our Promoters could be lower than the Issue Price.

Our Promoters’ average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price which is proposed to be determined on a fixed price basis. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled ***“Capital Structure”*** on page 59 of this Draft Prospectus.

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

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

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

As of March 31, 2023, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please refer to the chapter titled — ***“Restated Financial Information”*** at page 152.

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

29. Our Promoter has extended personal guarantees with respect to various loan facilities availed by our Company. Revocation of any or all of these personal guarantees may adversely affect our business operations and financial condition.

Our Promoter has extended certain personal guarantees in favour of certain banks / financial institutions with respect to various facilities availed by our Company from them. In the event any of these guarantees are revoked, our lenders may require us to furnish alternate guarantees or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees in a timely manner or at all. Further, if our lenders enforce any of the restrictive covenants or exercise their options under the relevant debt financing arrangement, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations. For further details please refer to the chapter titled ***“Financial Indebtedness”*** on page 154 of this Draft Prospectus.

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

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans from third parties, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future. For details of these restrictive covenants, please refer to chapter titled — ***“Financial Indebtedness”*** on page 154 of this Draft Prospectus.

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

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

31. *Stringent food safety, consumer goods, health and safety laws and regulations may result in increased liabilities and increased capital expenditures.*

Our operations are subject to stringent health and safety laws as our products are for human consumption and are therefore subject to various industry specific regulations. We may also be subject to additional regulatory requirements due to changes in governmental policies. Further, we may also incur additional costs and liabilities related to compliance with these laws and regulations that are an inherent part of our business. We are subject to various central, state and local food safety, consumer goods, health and safety and other laws and regulations. These laws and regulations are increasingly becoming stringent and may in the future create substantial compliance or remediation liabilities and costs. These laws may impose liability for non-compliance, regardless of fault. Other laws may require us to investigate and remediate contamination at our facilities and production processes. While we intend to comply with applicable regulatory requirements, it is possible that such compliance may prove restrictive, costly and onerous and an inability to comply with such regulatory requirement may attract penalty. For details see, “**Government and Other Approvals**” beginning on page 173.

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

For the Financial Year ended on March 31, 2023 our Company’s total outstanding secured loans are ₹ 150.43 lacs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — “**Financial Indebtedness**” on page 154 of this Draft Prospectus.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “**Objects of the Issue**” beginning on page 71 of this Draft Prospectus.

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

The growth and success of our Company’s future significantly depends upon the experience of our Promoters and continued services and the management skills of our Key Managerial Personnel and the guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and

retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — **“Our Management”** on page 133 of this Draft Prospectus.

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

As on the date of this Draft Prospectus, our Registered Office and our manufacturing units are located on properties taken on lease basis from various lessors. There can be no assurance that our Company will be able to successfully renew the said lease agreements in a timely manner or at all or on terms favourable to us. Further, there can be no assurance that we will not face any disruption of our rights as a lessee and that such lease agreements will not be terminated prematurely by the lessor. Any such non-renewal or early termination or any disruption of our rights as lessee will adversely affect our business, financial conditions and results of operations. For further details, see **“Our Business - Properties”** on page 93.

- 36. *Any defect in title/ ownership of owner (s) (including the Promoters/ Promoter Group), from whom the Company has bought space/ taken space on lease, may adversely affect the operations of the Company resulting in loss of business.***

With a view to expand the Company’s business, the Company has acquired/ taken on leave and license basis various properties and entered into various contractual agreements with third parties. Any defect in the title/ ownership of such third parties with whom the Company has entered into such agreements may adversely affect the operations of the Company resulting in loss of business.

- 37. *Land on which our Registered Office and one of our manufacturing units is located are not owned by us. In the event, we are unable to renew the rent/leave and license agreements, or if such agreements are terminated, we may suffer a disruption in our operations.***

Our Company does not own the land on which our Registered Office and manufacturing unit, the land has been taken on lease. If we do not comply with certain conditions of the lease, it may lead to termination of the lease which would have an adverse effect on our operations and there can be no assurance that renewal of lease agreement will be entered into. In the event of non-renewal of lease, we may be required to shift our manufacturing facility to a new location and there can be no assurance that the arrangement our Company enter into in respect of new premises would be on such terms and conditions as the present one. For details on properties taken on lease by us please refer to the Section titled **“Our Business”** beginning on page 93 of this Draft Prospectus.

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

Our business depends significantly on the strength of our brand and reputation in marketing and selling our products. We also believe that maintaining and enhancing the **“Harim”** brand, is critical to maintaining and expanding our customer base. We believe that continuing to develop awareness of our brand, through focused and consistent branding and marketing initiatives is important for our ability to increase our sales volumes and our revenues, grow our existing market share and expand into new markets. Consequently, product defects, consumer complaints, or negative publicity or media reports involving us, or any of our products could harm our brand and reputation and may dilute the impact of our branding

and marketing initiatives and adversely affect our business and prospects. In addition, adverse publicity about any regulatory or legal action against us could damage our reputation and brand image, undermine our consumers' confidence in us and reduce long-term demand for our products, even if the regulatory or legal action is unfounded or immaterial to our operations.

39. *Relevant copies of educational qualifications of our Promoters, Directors and Senior Management are not traceable.*

Relevant copies of the educational qualifications of one of our Promoter, Director and Senior Management are not traceable. The information included in the section are based on the affidavit obtained from the Promoter, Director and Senior Management. Consequently, we or the Lead Manager cannot assure you that such information in relation to the particular Promoter are true and correct and you should not place undue reliance on the experience and qualification of our management included in this Draft Prospectus.

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

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

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

We intend to use the proceeds of the Issue for the purposes described in the section titled “**Objects of the Issue**” on page 71. The objects of the Issue have not been appraised by any bank or financial institution. These are based on management estimates and current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of the industry, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

42. *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 other independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For further details, please see the section titled “**Objects of the Issue**” beginning on page 71 of this Prospectus.

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

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as breakdown, malfunctions, sub-standard performance or failures of manufacturing equipment, fire, riots, third party liability claims, loss-in-transit for our products, accidents and natural disasters. Presently, we maintain insurance cover for insuring our plant and machinery situated at our manufacturing units against loss or damage by fire, earthquake, terrorism, spoilage, impact damage due to road or rail services, *etc.* There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or

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

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

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “**Dividend Policy**” on page 151 **Error! Bookmark not defined.** of this Draft Prospectus.

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

Our business and the industry in which we operate are vulnerable to the problem of pilferage by employees, damage, misappropriation of cash and inventory management and logistical errors. An increase in product losses due to such factors at our place of operation may require us to install additional security and surveillance equipment and incur additional expenses towards inventory management and handling. We cannot assure you whether these measures will successfully prevent such losses. Further, there are inherent risks in cash management as part of our operations, which include theft and robbery, employee fraud and the risks involved in transferring cash to banks. Additionally, in case of losses due to theft, financial misappropriation, fire, breakage or damage caused by other casualties, we cannot assure you that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

46. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”.*

As the issue size shall be less than ₹10,000 lacs, under Regulation 262 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilization of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled — “**Objects of the Issue**” on page 71 of this Draft Prospectus.

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

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

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

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

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

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

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

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

50. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of National*

Stock Exchange of India Limited in a timely manner or at all.

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

issuer. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

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

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

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

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

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

The Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchanges, trading in the Equity Shares is to commence within six (6) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI.

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

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

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform

our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

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

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

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

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

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

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

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

Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

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

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

EXTERNAL RISK FACTORS

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

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

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

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

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

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

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

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

62. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.*

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

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

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

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

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

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

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

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SECTION IV – INTRODUCTION

THE ISSUE

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

Particulars	Details of Equity Shares
Issue of Equity Shares ^{1) 2)}	Upto 12,00,000 Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs.
<i>of which:</i>	
Market Maker Reservation Portion	Issue of [●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
Net Issue to Public ³⁾	Issue of [●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
	<i>of which:</i>
A. Retail Individual Investors	[●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to Retail Individual Investors.
B. Other than Retail Individual Investors (including Non-Institutional Investors and Qualified Institutional Buyers)	[●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
Pre and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	26,88,210 Equity Shares of Rs. 10 each
Equity Shares outstanding after the Issue	[●] Equity Shares of Rs. 10 each
Use of Net proceeds of this Issue	Please refer the chapter titled “Objects of the Issue” on page 71 of this Draft Prospectus.

¹⁾ This Issue is being made in terms of Regulation 253(2) of Chapter IX of the SEBI (ICDR) Regulations. For further details, please refer to section titled “Issue Information” on page 21 of this Draft Prospectus.

²⁾ The present Issue has been authorized pursuant to a resolution passed by our Board at its meeting held on January 15, 2024 and by our Shareholders by way of a special resolution passed pursuant to Section 62(1) (c) of the Companies Act, 2013 at the EGM held on January 17, 2024.

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

1. Minimum fifty percent to retail individual investors; and
2. Remaining to

i) individual applicants other than retail individual investors and

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

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

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

For further details please refer to the chapter titled “Issue Structure” beginning on page 199 of this Draft Prospectus.

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SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary financial information of our Company derived from the Restated Financial Information as at and for the nine-month period ended on December 31, 2023, for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021. The Restated Financial Information referred to above is presented under the section titled “Financial Information” on page 152. The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections titled “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 152 and 155 respectively.

S. No.	Details	Page Number
1.	Summary of Financial Information	SF-1 to SF-3

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HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE - III
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash Flow From Operating Activities:				
Net Profit before tax as per Profit And Loss A/c	102.99	81.51	37.76	17.73
Adjustments for:				
Finance Cost	25.03	28.95	20.15	22.41
Gratuity Provision	0.42	0.81	(0.05)	1.16
Interest Income	0.00	0.00	(0.46)	(0.22)
Other Incomes	(6.12)	(10.49)	(6.25)	(3.80)
Assets Written off	0.00	0.00	(0.19)	0.00
Depreciation and Amortisation Expense	9.95	9.80	5.76	3.31
Operating Profit Before Working Capital Changes	132.27	110.58	56.72	40.59
Adjusted for (Increase)/Decrease in operating assets				
Loans and advances	4.64	(20.46)	(5.68)	(5.36)
Inventories	(136.72)	(86.03)	(41.00)	(48.14)
Trade Receivables	(116.43)	(31.42)	(63.80)	(2.76)
Other Assets (Including Other Bank Balances)	0.00	0.00	0.20	(0.20)
Adjusted for Increase/(Decrease) in operating liabilities:				
Trade Payables	105.45	2.43	57.10	(1.67)
Other Current Liabilities & Provisions	(7.09)	13.59	3.22	(6.45)
Cash Generated From Operations Before Extra-Ordinary Items	(17.88)	(11.31)	6.76	(24.00)
Net Income Tax paid/ refunded	(25.13)	(9.21)	(4.55)	(2.01)
Net Cash Flow from/(used in) Operating Activities: (A)	(43.01)	(20.52)	2.21	(26.00)
Cash Flow from Investing Activities:				
Purchase of property, plant & equipment and intangible assets	(39.63)	(34.71)	(18.71)	(25.90)
Sale of property, plant & equipment	0.00	0.00	4.51	0.00
Interest Income Received	0.00	0.00	0.46	0.22
Other Income	6.12	10.49	6.25	3.80
Net Cash Flow from/(used in) Investing Activities: (B)	(33.51)	(24.22)	(7.49)	(21.88)
Cash Flow from Financing Activities:				
Proceeds/(Repayment) of Borrowings	13.67	42.88	19.42	93.94
Proceeds from issue of Share Capital	84.37	0.00	38.48	0.00
Loans and Advances	(1.07)	4.42	(28.96)	(3.84)
Finance Cost Paid	(25.03)	(28.95)	(20.15)	(22.41)
Net Cash Flow from/(used in) Financing Activities: (C)	71.94	18.35	8.79	67.69
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(4.58)	(26.39)	3.51	19.81
Cash & Cash Equivalents As At Beginning of the Year	33.33	59.72	56.21	36.41
Cash & Cash Equivalents As At End of the Year	28.75	33.33	59.72	56.21

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

Note: The Cash Flow Statements has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act, 2013.

For Krishan Rakesh & Co.
Chartered Accountants
FRCN : 009088N

K. K. Gupta
Partner
Mem No.: 087891



Place : New Delhi
Date : 16-02-2024

For and on behalf of the Board of Directors of
HOAC Foods India Limited

Rambabu
Rambabu Thakur
(Managing Director)
DIN : 08084215

Manish Sharma
(CFO)

Place : New Delhi
Date : 16-02-2024

Yashwant Thakur
(Director)
DIN : 10351322

Shawna Agarwal
(Company Secretary)

HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE - II
(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
A	INCOME					
	Revenue from Operations	XXI	1,148.59	1,208.56	1,087.37	742.36
	Other Income	XXII	6.12	10.49	6.76	4.62
	Total Income (A)		1,154.71	1,219.05	1,094.03	746.28
B	EXPENDITURE					
	Cost of material consumed	XXIII	607.37	605.31	629.48	447.49
	Purchase of Stock-in-Trade	XXV	304.38	280.74	232.28	144.74
	Changes in inventories of stock-in-trade	XXIV	(130.19)	(55.17)	(35.59)	(44.10)
	Employee benefits expense	XXVI	95.29	100.63	58.83	55.35
	Finance costs	XXVII	25.03	28.95	20.15	22.41
	Depreciation and amortization expense	XXVIII	9.95	9.80	5.76	3.31
	Other expenses	XXIX	139.89	167.28	145.36	99.35
	Total Expenses (B)		1,051.72	1,137.54	1,086.27	728.55
C	Profit before extraordinary items and tax(A-B)		102.99	81.51	37.76	17.73
	Prior period items (Net)		0.00	0.00	0.00	0.00
	Profit before exceptional, extraordinary items and tax		102.99	81.51	37.76	17.73
	Exceptional items		0.00	0.00	0.00	0.00
	Profit before extraordinary items and tax		102.99	81.51	37.76	17.73
	Extraordinary items		0.00	0.00	0.00	0.00
C	Profit before tax		102.99	81.51	37.76	17.73
D	Tax Expense:					
	(i) Current tax	XXXVI	28.14	22.43	10.33	4.77
	(ii) Deferred tax expenses/(credit)	XVI	0.35	0.29	0.10	0.11
	(iii) Short /excess provision for tax		0.00	0.00	0.00	0.00
	(iii) MAT Credit Entitlement		0.00	0.00	0.00	0.00
	Total Expenses (D)		28.49	22.72	10.43	4.88
E	Profit for the year (C-D)		74.50	58.79	27.33	12.85
F	Earnings per share (Face value of ₹ 10/- each): (Pre Bonus)					
	i. Basic		2.84	27.09	19.60	12.85
	ii. Diluted		2.84	27.09	19.60	12.85
G	Earnings per share (Face value of ₹ 10/- each): (Post Bonus)					
	i. Basic		2.84	3.19	2.31	1.51
	ii. Diluted		2.84	3.19	2.31	1.51

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

For Krishan Rakesh & Co.
Chartered Accountants
FRN / 009085N

K. K. Gupta
Partner
Mem No.: 087891



Place : New Delhi
Date : 16-02-2024

Rambabu

Rambabu Thakur
(Managing Director)
DIN : 08084215

Mamish Sharma
Mamish Sharma
(CFO)

Place : New Delhi
Date : 16-02-2024

For and on behalf of the Board of Directors of
HOAC Foods India Limited

Yashwant Thakur

Yashwant Thakur
(Director)
DIN : 10351322

Bhavya Agarwal
Bhavya Agarwal
(Company Secretary)

HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE - I

(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1)	EQUITY AND LIABILITIES					
	<u>Shareholders Funds</u>					
	a. Share Capital	V	268.82	21.70	21.70	10.00
	b. Reserves & Surplus	VI	46.91	135.16	76.37	22.26
2)	<u>Non - Current Liabilities</u>					
	a. Long-term Borrowings	VII	83.91	50.16	52.74	53.88
	b. Deferred tax liabilities (Net)	VIII	0.99	0.64	0.35	0.25
	c. Long-term Provisions	IX	2.41	2.64	2.41	1.92
3)	<u>Current Liabilities</u>					
	a. Short Term Borrowings	X	120.14	140.22	94.76	74.20
	b. Trade Payables	XI				
	- Due to Micro, Small and Medium Enterprises		0.00	0.00	0.00	0.00
	- Due to Others		204.78	99.33	96.90	39.80
	c. Other Current liabilities	XII	10.96	17.66	3.70	1.01
	d. Short Term Provisions	XIII	27.48	24.21	10.78	5.01
TOTAL			766.40	491.72	359.71	208.33
1)	ASSETS					
	<u>Non Current Assets</u>					
	a. Property, Plant & Equipment and Intangible Assets	XIV				
	- Property, Plant & Equipment		98.37	68.69	43.78	35.15
	- Intangible Assets		0.00	0.00	0.00	0.00
	- Capital Work-in-Progress		0.00	0.00	0.00	0.00
	b. Other Non-current assets	XV	31.30	30.23	34.65	5.69
2)	<u>Current Assets</u>					
	a. Inventories	XVI	356.45	219.73	133.70	92.70
	b. Trade Receivables	XVII	224.36	107.93	76.51	12.71
	c. Cash and Cash Equivalent	XVIII	28.75	33.33	59.72	56.21
	d. Short term loan and advances	XIX	27.17	31.81	11.35	5.67
	e. Other current assets	XX	0.00	0.00	0.00	0.20
TOTAL			766.40	491.72	359.71	208.33

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

For Krishan Rakesh & Co.
Chartered Accountants
FRN : 009088N

K. K. Gupta
Partner
Mem No.: 087891



Place : New Delhi
Date : 16-02-2024

For and on behalf of the Board of Directors of
HOAC Foods India Limited

Rambabu Thakur
(Managing Director)
DIN : 08084215

Manish Sharma
(CFO)

Place : New Delhi
Date : 16-02-2024

Yashwant Thakur
(Director)
DIN : 10351322

Bhawan Agarwal
(Company Secretary)

Bhawan Agarwal
(Company Secretary)

GENERAL INFORMATION

Our Company was originally incorporated with the name as ‘**Hoac MP Atta Spices Manufacture Private Limited**’ a private limited company on March 13, 2018 under the Companies Act, 2013, with Registrar of Companies, Delhi bearing registration number **330739**. Thereafter, the company name was changed to ‘**Hoac Foods India Private Limited**’ dated **November 03, 2021**. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by our Shareholders at an Extraordinary General Meeting held on **October 13, 2023** and consequently the name of our Company was changed to ‘**Hoac Foods India Limited**’ and a fresh certificate of incorporation dated **October 30, 2023** was issued by the Registrar of Companies, Delhi at New Delhi. The corporate identification number of our Company is **U15120DL2018PLC330739**.

For further details please refer to chapter titled “History and Corporate Structure” beginning on page 129 of this Draft Prospectus.

Our Company and Issue Related Information	
Registered Office	D-498, 1st Floor Palam Extension Sector-7 Dwarka, Raj Nagar - II, South West Delhi, New Delhi, Delhi, India, 110077 Telephone: +91 97178 38568 E-mail: info@attahariom.com Investor grievance id: info@attahariom.com Website: www.hoacfoodsindia.com ;
Date of Incorporation	March 13, 2018
Registration Number	330739
Corporate Identification Number	U15120DL2018PLC330739
Company Category	Company limited by Shares
Company Sub Category	Non-Government Company
Address of the Registrar of Companies	Registrar of Companies, Delhi 4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019 Phone: 011-26235703, 26235708 Email: roc.delhi@mca.gov.in Website: www.mca.gov.in
Designated Stock Exchange	National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051, Maharashtra India Phone: 022 2659 8100/ 2659 8114 / 66418100 Website: www.nseindia.com
Issue Programme	Issue Opens on: [●] Issue Closes on: [●]
Company Secretary and Compliance Officer	Ms. Bhawna Agarwal D-498, 1st Floor Palam Extension Sector-7 Dwarka, Raj Nagar - II, South West Delhi, New Delhi, Delhi, India, 110077 Telephone: +91 97178 38568 E-mail: compliance@hoacfoodsindia.com Website: www.hoacfoodsindia.com
Chief Financial Officer	Mr. Manish Sharma D-498, 1st Floor Palam Extension Sector-7 Dwarka, Raj Nagar - II, South West Delhi, New Delhi, Delhi, India, 110077 Telephone: +91 97178 38568 E-mail: finance@hoacfoodsindia.com Website: www.hoacfoodsindia.com

Corporate Office of our Company

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

Board of Directors of our Company

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

Sr. No.	Name	Designation	DIN	Address
1	Rambabu Thakur	Managing Director	08084215	RZF-1150, Flat No. UG-01, Gali No. 1, Raj Nagar Part-2, New Delhi, Delhi India 110077
2	Gaytri Thakur	Executive Director	08084214	RZF-1150, Flat No. UG-01, Gali No. 1, Raj Nagar Part-2, New Delhi, Delhi India 110077
3	Yashwant Thakur	Chairman and Non-Executive Director	10351322	D-498, Palam Extension, Ramphal Chowk, Dwarka, Sector 7 New Delhi, Delhi India 110075
4	Mukesh Garg	Non-Executive Independent Director	10351327	RZ-708/223, Gali No. 16E, Sadh Nagar, Palam Colony New Delhi, Delhi India 110045
5	Mamta	Non-Executive Independent Director	10377740	RZF-1150 Ug-3 Lohia Marg F Blockraj Nagar Part-2 New Delhi, Delhi India 110077

For further details in relation to our Directors, please refer to chapter titled “Our Management” on page 133 of this Draft Prospectus.

Investor grievances

Investors may contact our Company Secretary and Compliance Officer and/ or the Registrar to the Issue and/ or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

All grievances relating to the issue other than the Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicants should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant.

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

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

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

Lead Manager to the Issue	Registrar to the Issue
GYR Capital Advisors Private Limited Address: 428, Gala Empire, Near JB Tower, Drive in Road, Thaltej, Ahemdabad-380 054, Gujarat, India. Telephone: +91 8777564648 Email ID: info@gyrcapitaladvisors.com Website: www.gyrcapitaladvisors.com Investor Grievance E-mail: investors@gyrcapitaladvisors.com Contact Person: Mohit Baid SEBI Registration Number: INM000012810	KFIN TECHNOLOGIES LIMITED Selenium Tower- B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032, Telangana, India. Tel No.: +91 40 6716 2222 Fax: +91 40 2343 1551 Website: www.kfintech.com ; Email: hoacfoods.ipo@kfintech.com ; Investor Grievance Email: einward.ris@kfintech.com ; Contact Person: Mr. M Murali Krishna

CIN: U67200GJ2017PTC096908	SEBI Registration No.: INR000000221 CIN: L72400TG2017PLC117649
Legal Advisor to the Issue M/s. Vidhigya Associates, Advocates Address: 501, 5 th Floor, Jeevan Sahakar Building, Homi Street, Fort, Mumbai-400001 Contact Person: Rahul Pandey Tel: +91 8424030160 Email: rahul@vidhigyaassociates.com	Statutory and Peer Review Auditor of our Company Statutory Auditor M/s Krishan Rakesh & Co. 143, 2nd Floor, Kohat Enclave, Pitampura, Delhi-11, Delhi, Delhi-DL, India- 110034 Telephone no.: 011-40159075 Contact Person: K K Gupta, Partner Email: cakkg1958@gmail.com Peer Review Auditor M/s Krishan Rakesh & Co. 143, 2nd Floor, Kohat Enclave, Pitampura, Delhi-11, Delhi, Delhi-DL, India- 110034 Telephone no.: 011-40159075 Contact Person: K K Gupta, Partner Email: cakkg1958@gmail.com
Bankers to our Company HDFC Bank Limited Address: Ground and First Floor, G- 106, Palam Extension Dwarka New- Delhi-110075 India Telephone: +919871933377 Fax: NA Email: neeraj.choudhary1@hdfcbank.com Contact Person: Mr. Shiladitya Ganguly, Branch Website: www.hdfcbank.in Contact Person: Neeraj Choudhary YES Bank Limited Address: Ground Floor and First Floor, C- 1/713E, Palam Extension Sector – 7 Dwarka Delhi- India Telephone: +91 9572350537 Fax: NA Email ID: dlteamsddwarkasector7@yesbank.in Website: www.yesbank.in Contact Person: Ajeet Kumar Jha	Banker to the Issue* [•]
Refund Bank* [•]	Sponsor Bank* [•]

**The Banker to the Issue, Refund Bank and Sponsor Bank shall be appointed prior to filing of the Prospectus with the RoC.*

Designated Intermediaries

Statement of inter se allocation of Responsibilities for the Issue

Gyr Capital Advisors Private Limited is the sole Lead Manager to the 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 (SCSB)

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate->

[BanksSCSBsfor-](#) Syndicate-ASBA. For details on Designated Branches of SCSBs collecting the ASBA Bid Form, please refer to the above-mentioned SEBI link.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time

Credit Rating

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

Trustees

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

Debenture Trustees

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

IPO Grading

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

Monitoring Agency

As the Net Proceeds of the Issue will be less than ₹10,000 lakhs, as per Regulation 262(1) of the SEBI ICDR Regulations, 2018, it is not required that a monitoring agency be appointed by our Company.

Appraising Entity

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

Expert Opinion

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

Our Company has received written consent from the Peer Reviewed Auditor namely, M/s Krishan Rakesh & Co., Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated February 16, 2024 for the nine-month period ended on December 31, 2023 and the Statement of Special Tax Benefits dated February 17, 2024 issued by them and included in this Draft Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term ‘Expert’ shall not be construed to mean an ‘expert’ as defined under the Securities Act.

Filing of Issue Document

The Draft Prospectus is being filed with SME Platform of National Stock Exchange of India Limited, NSE - Corporate Office situated at National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051, Maharashtra India.

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus shall also be furnished to the board 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 Prospectus will be filed online through SEBI Intermediary Portal at www.sebi.gov.in.

A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Delhi situated at 4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019.

Changes in Auditors during the last three years

Except as stated below, there has been no change in the Auditors of our Company during the last three years:

Name of Auditor	Date of Change	Reason for change
Krishan Rakesh & Co. , Chartered Accountants	September 30, 2023	Appointed in AGM dated September 30, 2023 of the Company for a period of 05 years to fill the casual vacancy caused by resignation of M/s. Nitika Saluja, Chartered Accountants, dated September 26, 2023.
Nitika Saluja, Chartered Accountants	September 26, 2023	Resignation of M/s. Nitika Saluja, Chartered Accountants, dated September 26, 2023
Nitika Saluja, Chartered Accountants	August 31, 2023	Appointed in AGM dated 30.09.2023 of the Company for a period of 05 years to fill the casual vacancy caused by resignation of M/s. Sanjay K Goyal & Associates, Chartered Accountants who has resigned on August 10, 2023.
Sanjay K Goyal & Associates , Chartered Accountants	August 10, 2023	M/s. Sanjay K Goyal & Associates, Chartered Accountants who has resigned on August 10, 2023.
Sanjay K Goyal & Associates , Chartered Accountants	November 30, 2021	Appointed for a period of 05 years in the AGM held on November 30, 2021
Amit Pali Ram & Associates, Chartered Accountants	April 22, 2021	Casual Vacancy arose due to sudden demise of the Auditor wef April 22, 2021
Amit Pali Ram & Associates, Chartered Accountants	September 30, 2019	Re-Appointed for a period of 05 years in the AGM held on September 30, 2019
Amit Pali Ram & Associates, Chartered Accountants	April 10, 2018	First Auditors appointed in Board Meeting held on April 10, 2018.

Fixed Price Issue Procedure

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI ICDR Regulations, and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance is being offered to Other Investors including QIBs and Non-Institutional Applicants.

However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price. Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Individual Investors Category where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Individual Investors Category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialised 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.

Issue Programme

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

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Allotment / Refunds / Unblocking of Funds(1)	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

Underwriting Agreement

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by the Underwriters [●] and Hoac Foods India Limited. The underwriting agreement is dated [●] pursuant to the terms of the underwriting agreement; obligations of the underwriters are subject to certain conditions specified therein. The underwriters have indicated their intention to underwrite following number of specified securities being offered through this Issue.

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

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

In the opinion of the Board of Directors of our Company, the resource of the above-mentioned Underwriter is sufficient to enable them to discharge their respective obligations in full.

Withdrawal of the Issue

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

Details of Market Making Arrangement for the Issue

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

Name	[●]
Address	[●]
Telephone	[●]
E-mail	[●]
Contact Person	[●]
SEBI Registration	[●]

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations 2018 and the circulars issued by the [●] and SEBI regarding this matter from time to time.

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

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

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

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

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

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).

The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the SME Platform of [●] and SEBI from time to time.

The minimum depth of the quote shall be Rs.1,00,000/-. However, the investors with holdings of value less than Rs. 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.

The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the [●] (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of [●] from time to time).

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.

There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, Stock Exchange may intimate the same to SEBI after due verification.

Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

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.

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.

The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.

There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market

– for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non- controllable reasons would be final

The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. 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 LM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the LM 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 10.00 a.m. to 5.00 p.m. on working days.

Risk containment measures and monitoring for Market Makers: Stock Exchange will have all margins, which are applicable on [●]main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. [●] can impose any other margins as deemed necessary from time-to-time.

Punitive Action in case of default by Market Makers: [●]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.

Price Band and Spreads: 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

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%

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

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

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

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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

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CAPITAL STRUCTURE

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

S. No.	Particulars	Amount (₹ in Lakhs, except share data)	
		Aggregate value at nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	40,00,000 Equity Shares of face value of ₹ 10 each	400.00	-
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	2,68,82,100 Equity Shares of face value of ₹ 10 each	268.82	-
C.	Present Issue in terms of this Draft Prospectus⁽¹⁾		
	Public Issue of up to 12,00,000 Equity Shares of face value of ₹10 each at a Price of ₹ [●] /- per Equity Share ⁽¹⁾	[●]	[●]
	<i>which comprises</i>		
D.	Reservation for Market Maker Portion [●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
E.	Net Issue to Public Net Issue to Public of [●] Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share to the Public	[●]	[●]
	<i>Of which⁽²⁾</i>		
	At least [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to investors other than Retail Individual Investors including Non- Institutional Investors and Qualified Institutional Buyers	[●]	[●]
F.	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	[●] Equity Shares of face value of ₹10 each	[●]	[●]
G.	Securities Premium Account		
	Before the Issue	NIL	
	After the Issue	[●]	

⁽¹⁾The present Issue of 12,00,000 Equity Shares in terms of this Draft Prospectus has been authorised by the Board of Directors vide a resolution passed at its meeting held on January 15, 2024, and by the shareholders of our Company vide a special resolution passed pursuant to section 62 (1) (c) of the Companies Act, 2013 at the EGM held on January 17, 2024.

Classes of Shares

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

NOTES TO CAPITAL STRUCTURE

1. Changes in Authorized Equity Share Capital of our Company

The initial authorised capital of our company was ₹ 1,00,000/- consisting of 10,000 equity shares of ₹ 10 each. Further, the authorised share capital of our company has been altered in the manner set forth below:

Date Of Shareholder's Meeting	Particulars Of Change		AGM/EGM
	From	To	
December 05, 2019	₹ 1,00,000 consisting of 10,000	₹ 10,00,000 consisting of 1,00,000	EGM

Date Of Shareholder's Meeting	Particulars Of Change		AGM/EGM
	From	To	
	Equity Shares of ₹ 10 each	Equity Shares of ₹ 10 each	
November 10, 2021	₹ 10,00,000 consisting of 1,00,000 Equity Shares of ₹ 10 each	₹50,00,000 consisting of 5,00,000 Equity Shares of ₹ 10 each	EGM
September 18, 2023	₹50,00,000 consisting of 5,00,000 Equity Shares of ₹ 10 each	₹ 4,00,00,000 consisting of 40,00,000 Equity Shares of ₹ 10 each	EGM

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

Sr. No.	Name of Subscribers	Number of Shares Subscribed
1.	Rambabu Thakur	5000
2.	Gaytri Thakur	5000

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

As on the date of this Draft Prospectus, our Company does not have any Preference Share Capital.

2. History of Share capital of our Company

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

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
March 13, 2018 <i>On Incorporation*</i>	10,000	10	10	Cash	Subscription to Memorandum of Association ⁽¹⁾	10,000	1,00,000
December 27, 2019	90,000	10	10	Cash	Right Issue ⁽⁴⁾	1,00,000	10,00,000
November 29, 2021	1,17,000	10	34	Cash	Right Issue ⁽⁵⁾	2,17,000	21,70,000
September 22, 2023	99,260	10	85	Upon Conversion of Loan to Equity	Preferential Issue ⁽⁶⁾	3,16,260	31,62,600
October 05, 2023	23,71,950	10	10	Nil	Bonus Issue ⁽⁷⁾	26,88,210	2,68,82,100

Notes to the Capital Structure:

- Initial subscription to Memorandum of Association of 5000 Equity Shares by Mr. Rambabu Thakur and 5000 Equity Shares by Mrs. Gaytri Thakur.*
- Gift of 500 Equity shares from Mr. Rambabu . to Mrs. Gaytri Thakur dated 10.08.2018.*
- Allotment of 90,000 Equity Shares of Face value of ₹ 10/- each, ie 49,500 Equity Shares to Mrs. Gaytri Thakur and 40,500 Equity Shares to Mr. Rambabu Thakur on Right Issue basis dated December 27, 2019;*
- Allotment of 1,17,000 Equity Shares of Face value of ₹ 10/- each at price of ₹ 34/-(including premium of ₹ 24/-) per Share, 64,350 Equity Shares to Mrs. Gaytri Thakur and 52,650 Equity Shares to Mr. Rambabu Thakur on Right Issue basis dated November 29, 2021;*
- Allotment of 99,260 Equity Shares of Face value of ₹ 10/- each towards conversion of outstanding unsecured loan into Equity Shares to Mr. Rambabu Thakur ie. 99,260 fully Paid up Equity Shares at price of ₹ 85/-(including premium of ₹ 75/-) per Share on Preferential Issue basis dated September 22, 2023;*

6. Allotment of 23,71,950 Equity Shares of Face value of ₹ 10/- each, 895,125 Equity Shares to Gaytri Thakur and 14,76,825 Equity Shares to Mr. Rambabu Thakur for Consideration other than cash basis dated October 05, 2023.
7. Transfer of Shares from Rambabu Thakur to Urvashi Thakur, Rupesh Thakur, Yashwant Thakur, Rohit Kumar Roy, Sanjeev Tomar 100 equity share each at transfer price of Rs. 85/- each dated on 11.10.2023

3. Issue of Shares for consideration other than cash

As on date of this Draft Prospectus, except details mentioned below, our Company has not issued any equity shares for consideration other than cash or out of revaluation reserves.

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Source out of which Bonus Shares Issued	Benefit accrued to the Company
September 22, 2023	99,260	10	85	Consideration other than cash	Preferential Issue Upon Conversion of Loan into Equity	NA	-

4. Our Company has not issued any Equity Shares out of its revaluation reserves since incorporation.
5. Our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the erstwhile Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013, as applicable
6. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme. Our company doesn't have any Employee stock option scheme ("ESOP")/ Employee Stock purchase scheme ("ESPS") for our employees and we do not intent to allot any shares to our employees under ESOP and ESPS from the proposed issue. As and when options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
7. Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of the one year preceding the date of this Draft Prospectus.
8. All transactions in Equity Shares by our Promoter and members of our Promoter group between the date of filing of this Draft Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions

9. Shareholding Pattern of our Company

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this Draft Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depositary receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoters and Promoter Group	5	2688010	-	-	2688010	99.99	2688010	2688010	99.99	-	99.99	-	-	-	-	2688010
(B)	Public	2	200	-	-	200	0.01	200	200	0.01	-	0.01	-	-	-	-	200
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		07	2688210	-	-	2688210	100.00	2688210	2688210	100.00	-	100.00	-	-	-	-	2688210

Note:

*As on date of this Draft Prospectus 1 Equity share holds 1 vote. We have only one class of Equity Shares of face value of ₹ 10/- each.

**We have completed the process of ISIN activation with both the depositories – NSDL and CDSL. The shares are 100% dematerialised as Pre- Issue paid up capital of our Company.

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

10. Other details of shareholding of our Company:**(a) As on the date of filing of this Draft Prospectus: -**

The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Prospectus are set forth below:

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Rambabu Thakur	16,73,235	62.24
2.	Gaytri Thakur	10,14,475	37.74
Total		26,87,710	99.98

the % has been calculated based on existing (pre-issue) Paid up Capital of the Company

(b) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Draft Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.

(c) Two Year prior to the date of filing of this Draft Prospectus: -

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

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Rambabu Thakur	97,650	45%
2.	Gaytri Thakur	1,19,350	55%
Total		2,17,000	100%

(d) One Year prior to the date of filing of this Draft Prospectus: -

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

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Rambabu Thakur	97,650	45%
2	Gaytri Thakur	1,19,350	55%
Total		2,17,000	100%

(e) Ten Days prior to the date of filing of this Draft Prospectus: -

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

Sr. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Rambabu Thakur	16,73,235	62.24%
2.	Gaytri Thakur	10,14,475	37.74%
Total		26,87,710	99.98%

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years.

12. Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of

Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

13. Details of Build-up of our Promoter's shareholding:

As on the date of this Draft Prospectus, the Promoters of our Company, hold 26,87,010 Equity Shares, constituting 99.98 % of the issued, subscribed and paid-up Equity Share capital of our Company and none of the Equity Shares held by the Promoters are subject to any pledge.

Set forth below are the details of the build – up of our Promoters' shareholding in our Company since incorporation:

Rambabu Thakur:								
Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre issue capital	% of post issue capital
March 13, 2018	Initial Subscribers to Memorandum of Association	5,000	10	10	Cash	5,000	0.19	[●]
August 10, 2018	Transfer of shares to Gaytri Thakur	500	10	10	Gift	4,500	0.18	[●]
December 27, 2019	Right Issue	40,500	10	10	Cash	45,000	1.68	[●]
November 29, 2021	Right Issue	52,650	10	34	Cash	97,650	3.63	[●]
September 22, 2023	Preferential Issue (Upon Conversion of Loan to Equity)	99,260	10	85	Consideration Other than Cash	1,96,910	7.32	[●]
October 05, 2023	Bonus Issue	14,76,825	10	10	Nil	16,73,735	62.29	[●]
October 11, 2023	Transfer of shares to Yashwant Thakur	100	10	85	Cash	16,73,635	62.28	[●]
October 11, 2023	Transfer of shares to Urvashi Thakur	100	10	85	Cash	16,73,535	62.27	[●]
October 11, 2023	Transfer of shares to Rupesh Thakur	100	10	85	Cash	16,73,435	62.26	[●]
October 11, 2023	Transfer of shares to Sanjeev Kumar Tomer	100	10	85	Cash	16,73,335	62.25	[●]

Rambabu Thakur:								
Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre issue capital	% of post issue capital
October 11, 2023	Transfer of shares to Rohit Roy	100	10	85	Cash	16,73,235	62.24	[●]

Gaytri Thakur								
Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Consideration	Cumulative number of Equity Shares	% of pre issue capital	% of post issue capital
March 13, 2018	Initial Subscribers to Memorandum of Association	5,000	10	10	Cash	5,000	0.19	[●]
August 10, 2018	Transfer of shares from Rambabu Thakur	500	10	10	Gift	5,500	0.20	[●]
December 27, 2019	Right Issue	49,500	10	10	Cash	55,000	2.05	[●]
November 29, 2021	Right Issue	64,350	10	34	Cash	1,19,350	4.44	[●]
October 05, 2023	Bonus Issue	8,95,125	10	10	Nil	10,14,475	37.74	[●]

Yashwant Thakur								
Date of Allotment / transfer and Date when made fully paid-up	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre issue capital	% of post issue capital
October 11, 2023	Transfer of shares from Rambabu Thakur	100	10	85	Cash	100	0.004	[●]

Note: None of the Shares has been pledged by our Promoter.

14. As on the date of the Draft Prospectus, the Company has 7 (Seven) members/shareholders.

15. Shareholding of Promoter & Promoter Group: The details of the Shareholding of the members of the Promoter Group as on the date of this Draft Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholders	Pre-Issue		Post Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1	Rambabu Thakur	16,73,235	62.24	[●]	[●]
2	Gaytri Thakur	10,14,475	37.74	[●]	[●]
3	Yashwant Thakur	100	0.004	[●]	[●]
4	Urvashi Thakur	100	0.004	[●]	[●]
5	Rupesh Thakur	100	0.004	[●]	[●]
Total		26,88,010	99.99	[●]	[●]

16. Except as mentioned below, there were no shares purchased/ sold by Promoter, Promoter Group, Directors of our Company and their relatives during a period of six (06) months preceding the date on which this Draft Prospectus is filed with Stock Exchange:

Date of Allotment / Transfer	Name of Allottee/ Transferee	Party/ Category	Number of Shares Allotted/ Transferred	Face Value	Issue Price/ Transfer Price	Reason of Allotment/ Transfer
October 11, 2023	Transfer of shares to Yashwant Thakur	Promoter	100	10	85	To comply with the requirement of minimum number of shareholder in Public Company under Companies Act, 2013
October 11, 2023	Transfer of shares to Urvashi Thakur	Promoter Group	100	10	85	To comply with the requirement of minimum number of shareholder in Public Company under Companies Act, 2013
October 11, 2023	Transfer of shares to Rupesh Thakur	Promoter Group	100	10	85	To comply with the requirement of minimum number of shareholder in Public Company under Companies Act, 2013
October 11, 2023	Transfer of shares to Sanjeev Kumar Tomer	Public	100	10	85	To comply with the requirement of minimum number of shareholder in Public Company under Companies Act, 2013
October 11, 2023	Transfer of shares to Rohit Roy	Public	100	10	85	To comply with the requirement of minimum number of shareholder in Public Company under Companies Act, 2013

17. There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (06) months immediately preceding the date of filing of the Draft Prospectus.

18. Details of Promoters' contribution locked in for three years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post issue capital held by our Promoter shall be considered as Promoter's Contribution ("Promoter's Contribution") and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Prospectus, our Promoter hold 26,88,010 Equity Shares constituting 99.98 % of the Post – Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Following are the details of Minimum Promoter's Contribution:

Number of Equity Shares locked-in ^{*(1)(2)(3)}	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Issue paid-up capital	Period of lock-in
RAMBABU THAKUR							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	3 Years
SUB-TOTAL	[•]	[•]	[•]	[•]	[•]	[•]	[•]
GAYTRI THAKUR							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	3 Years
SUB-TOTAL	[•]	[•]	[•]	[•]	[•]	[•]	[•]
YASHWANT THAKUR							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	3 Years
SUB-TOTAL	[•]	[•]	[•]	[•]	[•]	[•]	[•]

* Subject to finalisation of Basis of Allotment.

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

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

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

For details on the build-up of the Equity Share capital held by our Promoters, see "Details of the Build-up of our Promoters' shareholding" on Page 146.

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

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

1. Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets
2. Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters' contribution
3. Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
4. Equity Shares held by the Promoters that are subject to any pledge; and
5. Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of

their subscription in the Promoters' Contribution subject to lock-in.

Our Company has not been formed by the conversion of a partnership firm into a company. All the Equity Shares held by the Promoters and the members of the Promoter Group are held in dematerialized form.

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

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

Other requirements in respect of 'lock-in'

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

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

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

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

- 19.** Our Company, our Promoters, our Directors and the Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
- 20.** The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
- 21.** There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Prospectus.
- 22.** No person connected with the Issue, including, but not limited to, our Company, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
- 23.** There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft

Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.

- 24.** Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Prospectus.
- 25.** There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- 26.** Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
- 27.** All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus.
- 28.** As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
- 29.** Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of this Draft Prospectus.

30. Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

Sr. No.	Name of Director and Key Managerial Personnel	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1.	Rambabu Thakur	16,73,235	62.24
2.	Gaytri Thakur	10,14,475	37.74
3.	Yashwant Thakur	100	0.004
4.	Mukesh Garg	NIL	NIL
5.	Mamta	NIL	NIL
6.	Manish Sharma, CFO	NIL	NIL
7.	Bhawna Agrawal, CS	NIL	NIL

- 30.** Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
- 31.** Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “Issue Procedure” beginning on page 48 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
- 32.** An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 33.** An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue.

Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

34. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
35. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
36. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

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OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised through this Issue (“**Net Proceeds**”) towards the following objects:

- a) Funding the working capital requirements of the company
- b) General Corporate Purposes
(Collectively referred as “**Objects**”)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association. The Main Object of our Company is to carry on the business of objective of manufacturing flour, spice, and other food products. Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India.

Issue Proceeds & Net Proceeds

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

(₹ in lakhs)	
Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses	[●]
Net Proceeds of the Issue	[●]

Utilization of Net Proceeds

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

(₹ in lakhs)			
Sr. No.	Particulars	Amount	% of Net Proceeds
1.	Funding the working capital requirements of the company	Up to 350.00	[●]
2.	General Corporate Purposes*	[●]	[●]
Total		[●]	[●]

* To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Requirement of Funds and Means of Finance

The fund requirements mentioned above are based on the internal management estimates of our Company which are not been verified or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates and requirements from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations.

Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

The requirements of the objects detailed above are intended to be funded from the proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.”

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer chapter titled “Risk Factors” beginning on Page No. 26 of this Draft Prospectus.

DETAILS OF THE FUND REQUIREMENTS

1) Funding of working capital requirements

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and financing from various banks and financial institutions and unsecured loans. Our Company’s existing working capital requirement and funding on the basis of Restated Financial Statements for the year ended on 2023, 2022 and 2021, are as stated below:

(₹ in lakhs)

Particulars	For the nine-month period ended December 31, 2023	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)	For the year ended March 31, 2021 (Restated)
Current Assets				
Inventories	356.45	219.73	133.70	92.70
Trade Receivables	224.36	107.93	76.51	12.71
Cash and Bank Balance	28.75	33.33	59.72	56.21
Short term loans & advances	27.17	31.81	11.35	5.67
Other Current Assets	Nil	Nil	Nil	0.20
Total (A)	636.73	392.07	281.28	167.49
Current Liabilities				
Trade Payables	204.78	99.33	96.90	39.80
Other Current Liabilities & Short Term Provision	38.44	41.87	14.48	6.02
Total (B)	243.22	141.20	111.38	45.82
Total Working Capital (A)-(B)	393.51	251.60	169.90	121.67
Funding Pattern				
<i>I) Borrowings for meeting working capital requirements</i>	167.30	115.25	104.64	114.64
<i>II) Networth / Internal Accruals</i>	226.21	136.35	65.26	7.03

Note: Pursuant to the certificate dated February 16, 2024 issued by the Statutory Auditor:

Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated February 16, 2024 has approved the business plan for the Fiscal 2024. The estimated and projected working capital requirements for Fiscal 2024 is stated below:

(₹ in Lakhs)

Particulars	Fiscal 2024 (Projected)	Fiscal 2025 (Projected)
Current Assets		
Inventories	318.61	446.05
Trade Receivables	156.50	219.10
Cash and Bank Balance	48.33	67.66
Short term loans & advances	46.12	64.57
Other Current Assets	Nil	Nil
Total (A)	569.56	797.38

Current Liabilities		
Trade Payables	146.33	175.59
Other Current Liabilities & Short Term Provision	61.90	74.29
Total (B)	208.23	249.88
Total Working Capital (A)-(B)	361.33	547.50
Funding Pattern		
<i>I) Borrowings for meeting working capital requirements</i>	133.84	93.69
<i>II) Networth / Internal Accruals</i>	227.49	103.82
<i>III) Proceeds from IPO</i>	-	350.00

Assumption for working capital requirements:

(In days)

Particulars	Holding Level for year/period ended					
	March 31, 2021 (Restated)	March 31, 2022 (Restated)	March 31, 2023 (Restated)	December 31, 2023 (Restated)	March 31, 2024 (Projected)	March 31, 2025 (Projected)
Inventories	46	50	78	101	84	89
Trade Receivables	6	15	28	40	32	35
Trade Payables	21	25	33	40	31	36

Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

Current Assets	
Inventories	The historical holding days of inventories has been in the range of 46 to 78 days in the last three financial years and 101 days for the period ended December 31, 2023. Our Company estimates inventory holding days at around 84 days in FY 2023-24 and around 89 days in FY 2024-25. This seems to be reasonable in view of the lead time of procurement of raw materials, process cycle time and lifting time taken by the customers. Also, it seems to be reasonable considering the nature and volume of business activity of the Company.
Trade receivables	The historical holding days of Trade Receivables has been in the range of 6 to 28 days in the last three financial years and 40 days for the period ended December 31, 2023, with average Trade Receivables days of 16 days in the last three financial years. As per the current credit terms of the Company and prevalent trend in the business of the Company, the holding level for receivables anticipated at 32 days of total gross sales during FY 2023-24 and 35 days of total gross sales during FY 2024-25.
Current Liabilities	
Trade Payables	The historical holding days of Trade Payables has been in the range of 21 to 33 days in the last three financial years, with average Trade Payables days of 26 days in the last three financial years and 40 days for the period ended December 31, 2023. As per the current credit terms of the Company and prevalent trend in the business of the Company, the holding level for payables anticipated at 31 days of total gross sales during FY 2023-24 and 36 days of total purchases and related expenses during FY 2024-25.

Our Company proposes to utilize upto 350 lakhs of the Net Proceeds in Fiscal 2025 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2025 will be arranged from borrowings and internal accruals/net worth.

Rationale for the Increase in working capital requirement for 31st March, 2024 compared to 31st March, 2023

Our company engaged in the manufacturing of flour (*chakki atta*), herbs & spices, unpolished pulses, grains, and yellow mustard oil in our product range and markets & sell it in and around Delhi-NCR under the brand name “**HARIOM**”. The nature of our business involves procuring raw materials from various parts of the country and process our products with utmost care without using artificial preservatives or chemicals, thereby creating a product portfolio of organic spices and flour, which carry the freshness and goodness of each ingredient. Further, our business model and product portfolio is covered under page 93.

Our need for incremental working capital is briefly explained below:

Projected Revenue Growth:

The estimated revenue growth from Rs. 1,208.56 lakhs approx. in FY 2023 to the projected figures for FY 2025 at Rs.1,950.22 lakhs approx. indicating a growth of 27.03% a need for higher working capital to handle the associated operational requirements and support business expansion.

Seasonal Fluctuations and Crop Variability:

The nature of our business is influenced by seasonal fluctuations and crop variability, particularly in the case of wheat and spices. These factors can impact the availability and cost of raw materials, necessitating a higher working capital to manage procurement during periods of price volatility and to ensure uninterrupted production.

Expanding Retail Presence:

Our company has strategically expanded its retail presence, both through company-owned outlets and franchise partnerships. The growth in the number of retail points in the future increases the demand for inventory, working capital, and logistical support to maintain optimal stock levels and meet customer expectations efficiently.

Composite Supply Chain:

We procure raw materials and ingredients, in addition to bearing operational expenses related to manufacturing and distribution. The full realization of revenue is often tied to the sale of finished goods, requiring a higher working capital to cover costs until the final sale and payment.

Quality Assurance and Compliance:

As a food processing company, ensuring quality standards and compliance with regulatory requirements is paramount. This commitment to quality may involve additional costs for testing, certification, and adherence to health and safety standards, contributing to an increased working capital requirement.

In summary, the complexity of our business model, combined with the need to manage seasonality, expand retail operations, support franchisees, and maintain stringent quality standards, necessitates a higher working capital for the financial year 2023-24 and 2024-25. This increased capital will enable us to tap into the current growth potential in the market, sustain efficient operations, timely procurement of raw materials, and uphold the quality and standards expected by our customers and partners.

2) General corporate purposes

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for General corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- a) strategic initiatives, partnerships, joint ventures and acquisitions;
- b) brand building and strengthening of promotional & marketing activities; and
- c) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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

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ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ [●] lakhs, which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

(₹ in Lakhs)				
S. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue Size
1	Issue Management fees including Merchant Banking fees, Underwriting fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses	[●]	[●]	[●]
2	Advertising and Marketing Expenses	[●]	[●]	[●]
3	Fees payable to the stock exchange(s)	[●]	[●]	[●]
4	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]	[●]
5	Brokerage and Selling Commission(1)(2)(3)	[●]	[●]	[●]
6	Other Expenses (Banker's to the Issue, Auditor's Fees etc.)	[●]	[●]	[●]
Total Estimated Issue Expense		[●]	[●]	[●]

(1) The SCSBs and other intermediaries will be entitled to a commission of ₹ 10/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

(2) The SCSBs would be entitled to processing fees of ₹ 10/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

(3) Further the SCSBs and other intermediaries will be entitled to selling commission of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

PROPOSED SCHEDULE OF IMPLEMENTATION:

Our Company plans to deploy the funds towards the above stated Objects during FY 2024, depending upon various factors including the actual timing of the completion of the Issue and the receipt of the Net Proceeds. In the event that estimated utilization out of the funds in any given financial year is not completely met, the same shall be utilized in the next financial year.

Deployment of Funds:

M/s Krishan Rakesh & Co., Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amount (₹ In Lakhs)
Issue Expenses	[●]
Total	[●]

Appraisal

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

Shortfall of Funds

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

Bridge Financing Facilities

As on the date of the Draft Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

Monitoring Utilization of Funds

The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the 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. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

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

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

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BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is Rs.10/- and Issue Price is ₹ [•]/- per Equity Shares and is [•] times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on Page No. 26 and 49 and 93, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

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

- Experienced Management team having domain knowledge to scale up and expand into new opportunities;
- Unique and Sustainable business model;
- Diversified Product Portfolio capable of capturing growing Indian Spice market;
- Omni channel Approach;
- Cluster-based distribution through retail outlet network;
- Increasing Same Store Sales Growth through incentives & training to retail outlet employees and for our sales team;
- In-house Manufacturing capabilities;
- Consistent focus on quality and maximum nutritional value;
- Strong and stable management team with proven ability;
- Long Standing Relationship with our customers;
- Robust Supply-chain Management;
- Strategic Location of our Warehousing Units;
- Scalable Business Model;

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please refer chapter titled “Our Business” beginning on Page No. 93 of this Draft Prospectus.

Quantitative Factors

The information presented in this section for the audited financial statements of the Company for nine month ended December 31, 2023 and financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI ICDR Regulations. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on Page No. 152 of this Draft Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

1) Basic and Diluted Earnings / Loss Per Share (“EPS”) (Post Bonus)

	Basic & Diluted	
	EPS (in Rs.)	Weights
Financial year ending on March 31, 2021	1.51	1
Financial year ending on March 31, 2022	2.31	2
Financial year ending on March 31, 2023	3.19	3
Weighted Average (of the above three financial years)	2.62	
For the nine month ended on December 31, 2023	2.84	

Notes:

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

- c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounting) Rules, 2014.
- d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in the section titled “*Financial Information*” beginning on Page No.152 of this Draft Prospectus.
- e. The figures disclosed above are based on the Restated Financial Statements of the Company.

2) Price Earnings Ratio (“P/E”) in relation to the Price of ₹ [•]/- per share of ₹ 10/- each

Particulars	P/E Ratio
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2021	[•]
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2022	[•]
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2023	[•]
P/E ratio based on the Weighted Average EPS, as restated	

**The details shall be provided post the fixing of the price band by our company at the stage of filing of the price band advertisement.*

Notes:

- i. The P/E Ratio of our company has been computed by dividing Issue Price with EPS.

3) Industry Price / Earning (P/E) Ratio

Particulars	Industry P/E
Highest	68.96
Lowest	37.45
Average	53.21

Note:

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

4) Average Return on Net worth (RONW)

Period / Year ended	RoNW (%)	Weight
March 31, 2021	39.83	1
March 31, 2022	27.87	2
March 31, 2023	37.48	3
Weighted Average	34.67	
For the nine month ended on December 31, 2023	23.60	

Note: Return on Net worth has been calculated as per the following formula:

$$\text{RONW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

5) Net Asset Value Per Share (NAV)

Financial Year	NAV (in ₹)
NAV as at March 31, 2021	32.26
NAV as at March 31, 2022	45.19
NAV as on March 31, 2023	72.29

For the Nine Month ended on December 31, 2023	11.74
NAV after Issue – at Issue Price	[•]
Issue Price per equity shares	[•]

Note: Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

6) Comparison with Industry Peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses:

Name of the Company	CMP*	EPS (₹)	Face Value (₹)	P/E Ratio*	RoNW (%)	NAV Per Share	Total Income (₹ in lakhs)
Peer Group							
Contil India Limited	138.60	2.01	10	68.96	8.46%	2381.46	920.69
Jetmall Spices And Masala Limited	18.35	0.49	10	37.45	0.03%	16.22	363.68
The Company							
HOAC Foods India Limited	[•]	2.84	10.00	[•]	0.37	11.74	1219.05

*Source: All the financial information for listed industry peers mentioned above is on consolidated basis, sourced from the filings made with stock exchanges, available on www.bseindia.com and www.nseindia.com for the period ending 31st March, 2023. The CMP and related figures are as on [•].

7) Key Performance Indicators

(₹ In Lakhs)

Key Performance Indicator	For the nine month ended on December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Operations	1,148.59	1,208.56	1,087.27	742.26
Growth in Revenue from Operations (%)	[•]	11.16	46.48%	18.13%
Total Income	1,154.71	1,219.05	1,094.03	746.28
EBITDA	131.72	114.39	59.71	35.63
EBITDA Margin (%)	11.41%	9.38%	5.46%	4.77%
Net Profit for the Year/Period	74.50	58.79	27.33	12.85
PAT Margin (%)	6.49%	4.86%	2.51%	1.73%
Return on Net Worth	23.60	37.48	27.87	39.83
Return on Capital Employed	23.43%	30.12%	21.97%	20.16%
Debt-Equity Ratio	0.27	0.32	0.54	1.67

Notes:

1. Revenue from operations represents the revenue from sale of product & other operating revenue of our Company as recognized in the Restated financial information.
2. Total income includes revenue from operations and other income.
3. EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.
4. EBITDA margin is calculated as EBITDA as a percentage of total income.
5. Net Profit for the year/period represents the restated profits of the Company after deducting all expenses.
6. PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.

7. Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Net worth at the end of respective period/year. Networth means aggregate value of the paid-up equity share capital and reserves & surplus.
8. Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of total equity, total debt and deferred tax liabilities)
9. Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

Explanation for the Key Performance Indicators:

KPIs	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Income	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income
EBITDA	EBITDA provides information regarding the operational efficiency of our business
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit for the Year / Period	Net Profit for the year/period provides information regarding the overall profitability of our business
Return on Net Worth (in %)	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds
Return on Capital Employed (in %)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.
Debt-Equity Ratio (in times)	Debt- equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.

Comparison of our key performance indicators with listed industry peers for the Financial Years/ periods included in the Restated Financial Information:

(₹ In Lakhs)

Key Performance Indicator	Contil India Limited			Jetmall Spices And Masala Limited		
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Operations	1967.50	1669.79	1407.22	363.68	300.86	1123.46
Total Income	1995.28	1745.96	1469.46	394.90	317.75	1125.95
Net Profit for the Year /Period	62.34	61.97	63.41	29.25	0.83	4.73

Source: All the information for listed industry peers mentioned above is on a consolidated basis unless standalone provided available on the website of the stock exchange.

8) The Issue Price is [•] times of the face Value of the Equity Shares

The Company in consultation with the Lead Manager believes that the Issue price of ₹ [•] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Draft Prospectus to 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. ₹ 10.00/- per share.

STATEMENT OF POSSIBLE TAX BENEFITS

To,

The Board of Directors

Hoac Foods India Limited

(Formerly Hoac Foods India Private Limited)

D-498, 1st Floor Palam Extension

Sector-7 Dwarka,

Raj Nagar - Ii, South West Delhi,

New Delhi,

Delhi, India, 110077

Dear Sir(s),

Sub: Proposed initial public offering of equity shares of ₹ 10 each (the “Equity Shares”) of Hoac Foods India Limited (the “Company” and such offering, the “Issue”)

We refer to the proposed initial public offering of equity shares (the "Offer") of the Company. We enclose herewith the annexure showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the direct and indirect tax laws, including the Income-tax Act, 1961, 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 (collectively the "GST Act"), the Customs Act, 1962 and the Customs Tariff Act, 1975, (collectively the "Taxation Laws") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2024-2025 relevant to the financial year 2023-24 for inclusion in the Draft Prospectus/ Prospectus ("Offer Document") for the proposed offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of taxation laws. Hence, the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

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 the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

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

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the offer document for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

LIMITATIONS

Our views expressed in the statement enclosed are based on the facts on the assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance

on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

This statement has been prepared solely in connection with the offering of Equity shares by the Company under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the Issue)

Your sincerely,

Sd/

For KRISHAN RAKESH & CO.

Chartered Accountants

ICAI Firm Registration No.: 009088N

Partner: CA K.K. GUPTA

Membership No: 087891

Place: DELHI

Date: 17-02-2024

UDIN: 24087891BKEYXF3014

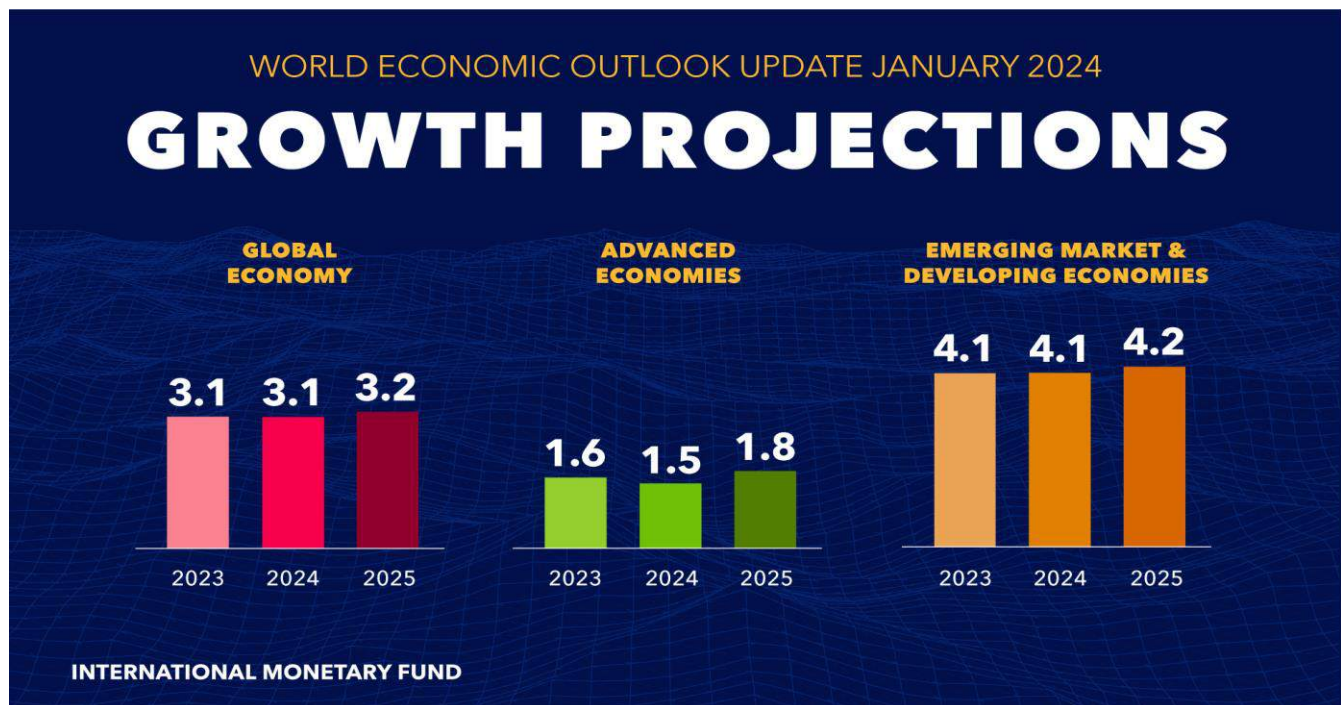
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SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

GLOBAL ECONOMIC OUTLOOK

Global growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, with the 2024 forecast 0.2 percentage point higher than that in the October 2023 World Economic Outlook (WEO) on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The forecast for 2024–25 is, however, below the historical (2000–19) average of 3.8 percent, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth. Inflation is falling faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8 percent in 2024 and to 4.4 percent in 2025, with the 2025 forecast revised down.



With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. On the upside, faster disinflation could lead to further easing of financial conditions. Looser fiscal policy than necessary and then assumed in the projections could imply temporarily higher growth, but at the risk of a more costly adjustment later on. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers. On the downside, new commodity price spikes from geopolitical shocks—including continued attacks in the Red Sea—and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector woes in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also cause growth disappointments.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024>)

INDIA MACROECONOMIC TRENDS & OUTLOOK

GDP and GDP Growth

The real GDP in Q1 of 2023-24 registered a YoY growth of 7.8% over the previous year. Sequentially, the real GDP in Q1 of 2023-24 registered a growth of 7.8% as compared to 13.1% in Q1 of 2022-23, indicating the sustenance of growth momentum

in the financial year. These estimates reaffirm the ability of the Indian economy to grow on the strength of its domestic demand even as a rise in global uncertainties slow global output. India's real GDP expanded by 7.2% in FY23, the highest among major economies.

The country has transitioned to a modern economy, wherein it has become more globally integrated and exports a fifth of its output, compared to one-sixteenth at the time of independence. India also benefits from the demographic transition with the help of a lower infant mortality rate and a steady increase in the literacy rate. Therefore, with more equitable income distribution, better employment levels, and globally comparable social amenity provision, India's per capita GDP may expand in the next 25 years as it did in the previous 75 years.

The outlay for capital expenditure in 2023-24 (BE) increased sharply by 37.4% from Rs. 7.28 lakh crore (US\$ 89 billion) in the previous year (2022-23) to Rs. 10 lakh crore (US\$ 120 billion). The resilient growth of the Indian economy in the first half of FY23 has been the fastest among major economies, thereby strengthening macroeconomic stability.

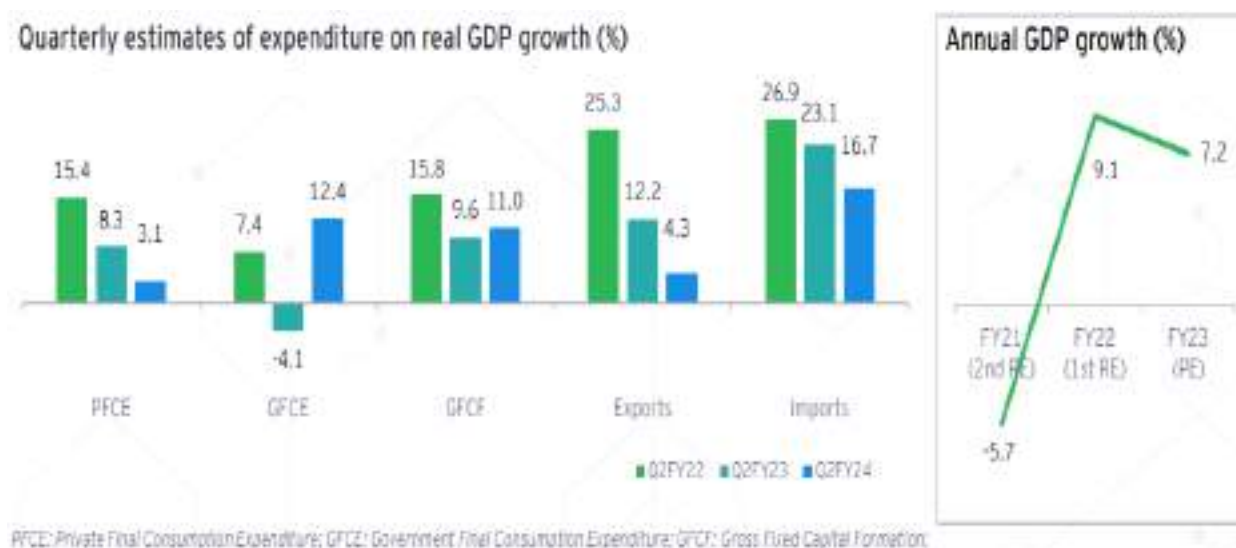
Recently in 2023-24, the following key frequency indicators highlighted improved performances:

- Private consumption stood at 57.3% of the nominal GDP in Q1 of FY24 and 60.6% in FY23, supported by a rebound in contact-intensive services such as trade, hotel, and transport.
- The growth in the agriculture sector continues to remain buoyant, with healthy progress in Rabi sowing, with the area sown increased by 3.25% from 697.98 lakh hectares in 2021-22 to 720.68 lakh hectares in 2022-23. To further boost production and support farmers' income, higher Minimum Support Prices (MSPs) have been announced for the upcoming Rabi Marketing Season (RMS 2023-24) in the range of 2.0 to 9.1%.
- CPI inflation decreased in October 2023 to 4.87% from 5.02% in September 2023, with a decrease in food inflation.
- PMI Services witnessed an uptick and expanded to 55.5 in October 2023.
- The consumption of petroleum products during April-October 2023 was with a volume of 1,335.54 MMT.
- India's Index of Industrial Production (IIP) for September 2023 stood at 141.6 against 145.1 for August 2023.
- In FY24, the combined index of eight core industries stood at 154.1 during April-September 2023.

India's economy grew faster during the first half of FY23 than other economies, driven by strong demand and investment. Inflationary pressures have been moderating since October, with CPI inflation tempering to an eleven-month low in November. On top of that, it has fallen below the RBI's upper target band for the first time in 2022, mainly driven by the decline in food inflation. Furthermore, inflation expectations have also moderated in the November round of the RBI's Households' Inflation Expectations Survey. This bodes well for augmenting consumption in rural and urban regions in the upcoming months. Improvement in business and consumer sentiment is also likely to bolster discretionary spending. The real investment rate during Q2 of FY23 prevailing at a high level of 34.6% demonstrates the Government's continued commitment towards asset creation.

(Source: <https://www.ibef.org/economy/monthly-economic-report>)

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(Source: <https://assets.ey.com/> , RBI data)

FISCAL DEVELOPMENTS IN INDIA

The Union Government finances have shown a resilient performance during the year FY23, facilitated by the recovery in economic activity, buoyancy in revenues from direct taxes and GST, and realistic assumptions in the Budget. The Gross Tax Revenue registered a YoY growth of 15.5% from April to November 2022, driven by robust growth in the direct taxes and Goods and Services Tax (GST).

Growth in direct taxes during the first eight months of the year was much higher than their corresponding longer-term averages. GST has stabilized as a vital revenue source for central and state governments, with the gross GST collections increasing at 24.8% on YoY basis from April to December 2022. Union Government's emphasis on capital expenditure (Capex) has continued despite higher revenue expenditure requirements during the year. The Centre's Capex has steadily increased from a long-term average of 1.7% of GDP (FY09 to FY20) to 2.5% of GDP in FY22 PA.

The Centre has also incentivized the State Governments through interest-free loans and enhanced borrowing ceilings to prioritize their spending on Capex. With an emphasis on infrastructure-intensive sectors like roads and highways, railways, and housing and urban affairs, the increase in Capex has large-scale positive implications for medium-term growth. The Government's Capex-led growth strategy will enable India to keep the growth-interest rate differential positive, leading to a sustainable debt to GDP in the medium run.

MONETARY MANAGEMENT & FINANCIAL INTERMEDIATION: A GOOD YEAR

- The RBI initiated its monetary tightening cycle in April 2022 and has since raised the repo rate by 225 bps, leading to moderation of surplus liquidity conditions.
- Cleaner balance sheets led to enhanced lending by financial institutions.
- The growth in credit offtake is expected to sustain, and combined with a pick-up in private capex, will usher in a virtuous investment cycle.
- Non-food credit offtake by scheduled Commercial Banks (SCBs) has been growing in double digits since April 2022.
- Credit disbursed by Non-Banking Financial Companies (NBFCs) has also been on the rise.
- The Gross Non-Performing Assets (GNPA) ratio of SCBs has fallen to a seven-year low of 5.0.
- The Capital-to-Risk Weighted Assets Ratio (CRAR) remains healthy at 16.0.
- The recovery rate for the SCBs through Insolvency and Bankruptcy (IBC) was highest in FY22 compared to other channels

CLIMATE CHANGE & ENVIRONMENTAL PROTECTION STEPS TAKEN BY INDIA

- India declared the Net Zero Pledge to achieve net zero emissions goal by 2070.
- India achieved its target of 40% installed electric capacity from non-fossil fuels ahead of 2030.
- The likely installed capacity from non-fossil fuels to be more than 500 GW by 2030 resulting in decline of average emission rate by around 29% by 2029-30, compared to 2014-15.
- India to reduce emissions intensity of its GDP by 45% by 2030 from 2005 levels.
- About 50% cumulative electric power installed capacity to come from non-fossil fuel-based energy resources by 2030.
- A mass movement LIFE– Life style for Environment launched.
- Sovereign Green Bond Framework (SGrBs) issued in November 2022.
- RBI auctions two tranches of Rs. 4,000 crore (US\$ 488.7 million) Sovereign Green Bonds (SGrB).
- National Green Hydrogen Mission to enable India to be energy independent by 2047.
- Green hydrogen production capacity of at least 5 MMT (Million Metric Tonne) per annum to be developed by 2030. Cumulative reduction in fossil fuel imports over Rs. 1 lakh crore (US\$ 12.2 billion) and creation of over 6 lakh jobs by 2030 under the National green Hydrogen Mission. Renewable energy capacity addition of about 125 GW and abatement of nearly 50 MMT of annual GHG emissions by 2030.
- The Survey highlights the progress on eight missions under the NAP on CC to address climate concerns and promote sustainable development.
- Solar power capacity installed, a key metric under the National Solar Mission stood at 61.6 GW as of October 2022.
- India becoming a favored destination for renewables; investments in 7 years stand at US\$ 78.1 billion.
- 62.8 lakh individual household toilets and 6.2 lakh community and public toilets constructed (August 2022) under the National Mission on Sustainable Habitat.

Key Macroeconomic Growth Drivers

India is on track to become the world's third largest economy by 2027, surpassing Japan and Germany, and have the third largest stock market by 2030, thanks to global trends and key investments the country has made in technology and energy. These are the following factors: -

Transformation of India's job market through Tier-2 & Tier-3 cities

India's job landscape is shifting from Tier-1 cities to Tier-2 and Tier-3 cities, which are now becoming significant talent hubs. The rise of remote work, better skill development prospects in Tier-II cities, and the expansion of various industries to these areas are driving recruiter's interest. Sectors like telecom, consumer electronics, retail, and banking are broadening job prospects for tech professionals outside major cities. This expansion is fueled by the rapid 5G roll-out and enterprises prioritizing digitalizing of operations.

(Source: <https://www.tpci.in/indiabusinessstrade/blogs/transformation-of-indias-job-market-through-tier-2-3-cities/>)

Manufacturing Boost

Government of India has undertaken various steps to promote manufacturing sector and to boost domestic and foreign investments in India. These include introduction of Goods and Service Tax, reduction in corporate tax, interventions to improve ease of doing business, FDI policy reforms, measures for reduction in compliance burden, policy measures to boost domestic manufacturing through public procurement orders, Phased Manufacturing Programme (PMP).

(Source: <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1882145>)

Generating Productive Jobs

Capitalizing on a skilled workforce will require India to increase women's workforce participation and generate more productive jobs. SMEs employ around 40 per cent of India's workers.⁸ They make up a disproportionate share of India's economy and remain relatively inefficient, low skilled and rural-based. SMEs account for more than 80 per cent of industrial firms compared to 65 per cent in Indonesia and 25 per cent in China. However, across all sectors, India's smallest firms are

only 25 to 65 per cent as productive as their peers across Asia. Firms that employ more than 200 people in India tend to be as productive as comparable firms across Asia. The preponderance of SMEs is a factor holding back India's productivity. (Source: <https://www.dfat.gov.au/publications/trade-and-investment/india-economic-strategy/ies/chapter-1.html>)

Urbanization

Urbanization is driving a shift in India's workforce from lower productivity (agriculture) to higher productivity sectors (services and industry). Since 1950, the proportion of Indians living in urban areas has almost doubled, reaching 33 per cent in 2015. However, India's urbanisation rate remains low compared to other emerging economies (Figure 8). The United Nations projects that India's urbanization rate will rise to 42 per cent by 2035, lifting the urban population from 64 million in 1950 to 640 million.

(Source: <https://www.dfat.gov.au/publications/trade-and-investment/india-economic-strategy/ies/chapter-1.html>)

INDIAN FMCG INDUSTRY

The fast-moving consumer goods (FMCG) sector is India's fourth-largest sector and has been expanding at a healthy rate over the years as a result of rising disposable income, a rising youth population, and rising brand awareness among consumers. With household and personal care accounting for 50% of FMCG sales in India, the industry is an important contributor to India's GDP. India is a country that no FMCG player can afford to ignore due to its middle-class population which is larger than the total population of the USA. The Indian FMCG market continues to rise as more people start to move up the economic ladder and the benefits of economic progress become accessible to the general public. More crucially, with a median age of just 27, India's population is becoming more consumerist due to rising ambitions. This has been further aided by government initiatives to increase financial inclusion and establish social safety nets.

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

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

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

FMCG market reached US\$ 167 billion as of 2023. Total revenue of FMCG market is expected to grow at a CAGR of 27.9% through 2021-27, reaching nearly US\$ 615.87 billion. In 2022, urban segment contributed 65% whereas rural India contributed more than 35% to the overall annual FMCG sales. Good harvest, government spending expected to aid rural demand recovery in FY24. The sector had grown 8.5% in revenues and 2.5% in volumes last fiscal year. In the January-June period of 2022, the

sector witnessed value growth of about 8.4% on account of price hikes due to inflationary pressures. In Q2, 2022, the FMCG sector clocked a value growth of 10.9% Y-o-Y higher than the 6% Y-o-Y value growth seen in Q1.

Indian food processing market size reached US\$ 307.2 billion in 2022 and is expected to reach US\$ 547.3 billion by 2028, exhibiting a growth rate (CAGR) of 9.5% during 2023-2028. The Union government approved a new PLI scheme for the food processing sector, with a budget outlay of Rs. 109 billion (US\$ 1.46 billion). Incentives under the scheme will be disbursed for six years to 2026-27.

INDIAN SPICE & FLOUR INDUSTRY

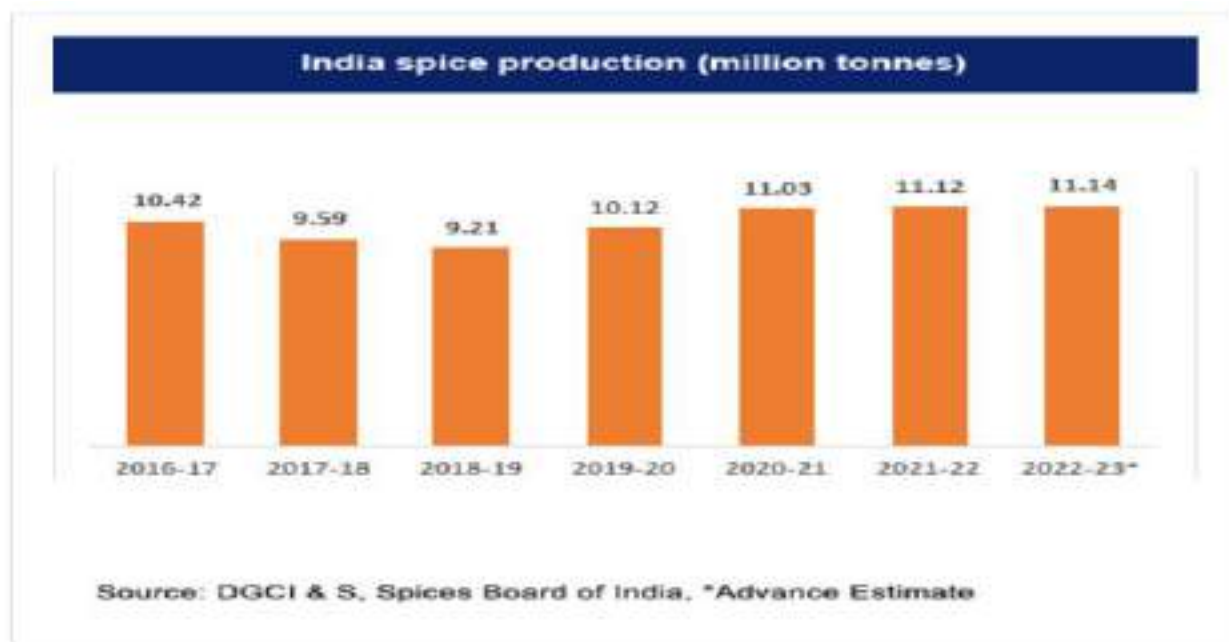
Overview- Indian Spice Industry

India is the world’s largest spice producer. It is also the largest consumer and exporter of spices. The production of different spices has been growing rapidly over the last few years. Production in 2021-22 stood at 10.88 million tonnes. During 2020-21, the export of spices reached an all-time high both in terms of value and volume by registering a growth of 17% in US\$ value terms and 30% in volume terms. During 2021-22, the single largest spice exported from India was chili followed by spice oils and oleoresins, mint products, cumin, and turmeric.



India produces about 75 of the 109 varieties which are listed by the International Organization for Standardization (ISO). The most produced and exported spices are pepper, cardamom, chilli, ginger, turmeric, coriander, cumin, celery, fennel, fenugreek, garlic, nutmeg & mace, curry powder, spice oils and oleoresins. Out of these spices, chilli, cumin, turmeric, ginger and coriander makeup about 76% of the total production.

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The largest spices-producing states in India are Madhya Pradesh, Rajasthan, Gujarat, Andhra Pradesh, Telangana, Karnataka, Maharashtra, Assam, Orissa, Uttar Pradesh, West Bengal, Tamil Nadu and Kerala.

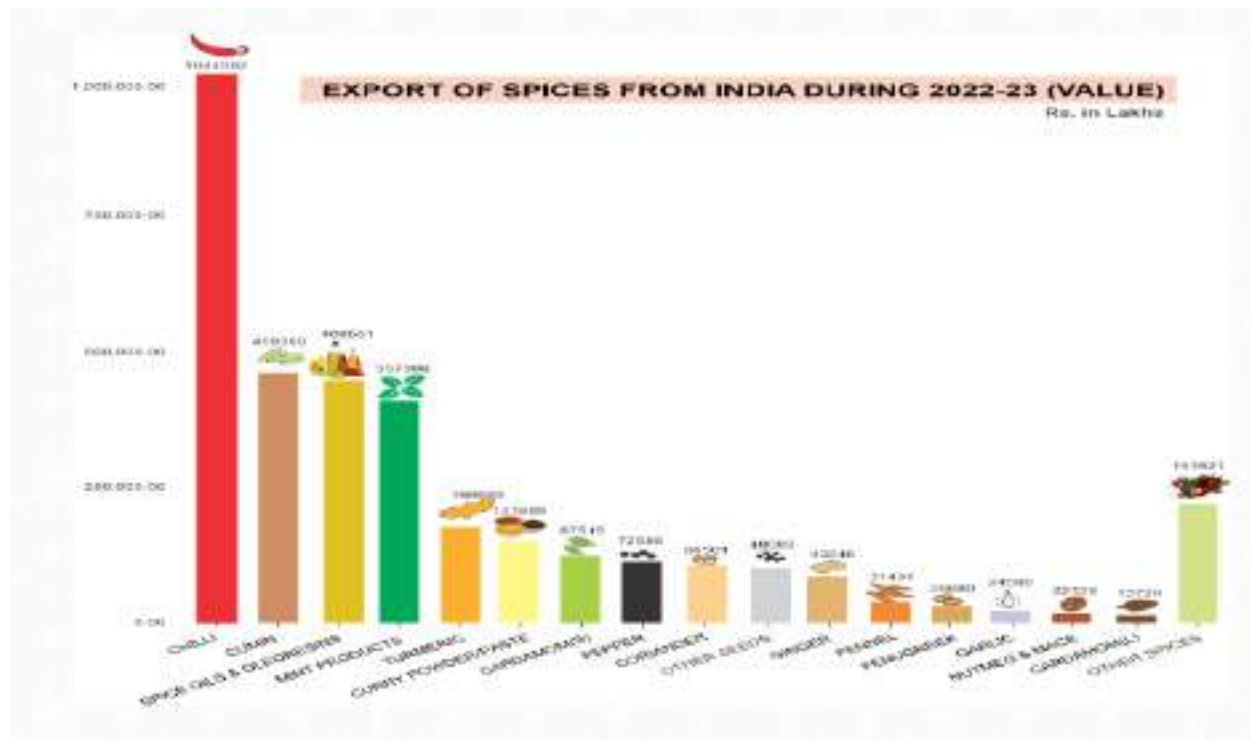
Major Export Destinations

India exported spices and spice products to 180 destinations worldwide as of 2022. The top destinations among them were China, the USA, Bangladesh, Thailand, the UAE, Sri Lanka, Malaysia, the UK, Indonesia, and Germany. These nine destinations comprised more than 70% of the total export earnings in 2020-21.

Spices worth Rs. 6,39,164.48 lakh (US\$ 767.74 million) were exported to China in 2022-23. USA imported spices worth Rs. 4,46,739.89 lakh (US\$ 536.61 million) in 2022-23. Bangladesh imported spices worth Rs. 2,07,664.93 lakh (US\$ 249.44 million) from the country during the above period. UAE imported spices worth Rs. 1,94,598.80 lakh (US\$ 233.74 million) from India in 2022-23.

Chilli was the most exported spice from India. During 2022-23, China imported US\$ 409.44 million in chilli. During the same period, the USA imported US\$ 96.38 million in chilli.

The main products imported by the USA are celery, cumin, curry powder, fennel, fenugreek, garlic, chilli, and mint products. (Source: <https://www.ibef.org/exports/spice-industry-india>)



(Source: <https://www.indianspices.com/>)

Recent Transactions in the Indian Spice Industry

	M&A		PRIVATE EQUITY	
	Eastern Condiments – Orkla	Sunrise – ITC	Pushp – A91 Partners	Intergrow (Kitchen Treasures) – Investcorp
Deal Value	₹ 2,000 Cr (EV)	₹ 2,100 Cr (EV)	₹ 126 Cr (Primary fundraise)	₹ 80 Cr (Primary fundraise)
Stake	Minority stake acquisition followed by merger with MTR	100% takeover	25% stake	Minority stake
Acquirer	 			
Year	Mar 2021	May 2020	Jun 2020	Oct 2019

Indian Flour Industry

India would expand at a compound annual growth rate (CAGR) of over 21% between 2016 and 2027. In 2022, the worldwide wheat flour industry was worth US\$ 241.0 billion. If the market continues to expand at its current rate, it might reach a new peak of Rs 25,000 Cr by the conclusion of the current fiscal year (2022-23).

A combination of positive micro and macroeconomic elements has created favorable conditions for market expansion. Despite this, more than 90% of the market for packaged wheat flour is concentrated in metropolitan areas. The demand for packaged wheat flour in India has been growing steadily, and this trend is expected to continue, especially as the top market players expand their reach into the country's rural market.

India's major shopping centers, supermarkets, and grocery/Kirana shops are the primary retail outlets for wheat flour packaging. On the other hand, the rise of E-Commerce, or online shopping, is having a major impact as a result of expanding internet access and improved computer technology. Demand for pre-packaged wheat flour in India by wheat flour manufacturers is expected to rise in the future due to rising employment rates among women and their preference for time-saving food options. IKON predicts that the market for packaged wheat flour would more than double in size between FYs 2019–20 and 2024–25 if current trends continue.

Trends

Organic food has become increasingly popular since it is grown without the use of harmful chemicals like pesticides and synthetic fertilizers or genetically engineered ingredients (GMOs). Increases in the rates of various chronic diseases, such as diabetes, cancer, and heart ailments, have a direct impact on the demand for organic wheat flour from consumers all over the world.

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OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contains certain forward-looking statements that involve risks and uncertainties. You should read the section entitled “Forward-Looking Statements” on page 19 for a discussion of the risks and uncertainties related to those statements and the section entitled “Risk Factors” on page 26 for a discussion of certain risks that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements included in this Draft Prospectus on page 152. Unless stated otherwise, industry and market data used in this Draft Prospectus has been obtained or derived from publicly available information as well as other industry publications and sources. For details, please refer to the section titled “Industry Overview” on page 84.

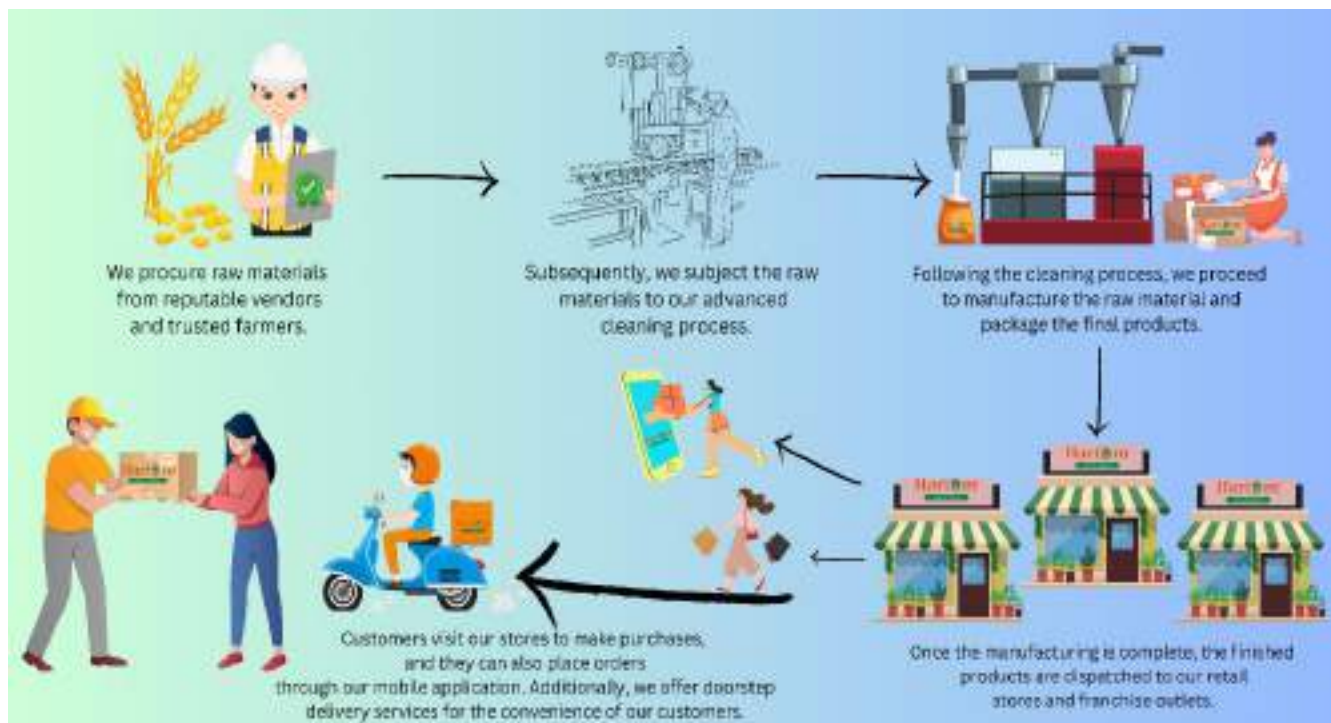
OVERVIEW

We are engaged in the manufacturing of flour (chakki atta), herbs & spices, unpolished pulses, grains, and yellow mustard oil in our product range and markets & sell it in and around Delhi-NCR under the brand name “**HARIOM**” through our Exclusive Brand Outlets. We handpick our raw materials from various parts of the country and process our products with utmost care without using artificial preservatives or chemicals, thereby creating a product portfolio of organic spices and flour, which carry the freshness and goodness of each ingredient. Our unique model has helped us penetrate the niche segment of our market and establish a customer base in and around Delhi-NCR. Since our inception, our objective has been to produce high-quality natural spices and food products without artificial preservatives or synthetic substances. To achieve this, we have developed a unique business model in which we manufacture and package our products in quantities that can sustain a customer until the shelf life of the product, reducing waste and providing a diverse range of products with freshness and goodness.

Our Company was founded in 2018 by our Promoters, Mr. Rambabu Thakur, and Mrs. Gaytri Thakur, who laid the foundation and started this journey with the sole objective of manufacturing flour, spice, and other food products. With the focus on providing quality food products, cost-effectiveness, and improved accessibility through Exclusive Brand Outlets (Both company-owned and Franchisee-owned), and our mobile application and as we deal with the end-user consumer which makes us a B2C company. Their next generation, Yashwant Thakur continued the legacy and developed extensive experience and expertise in the industry. In addition to our leadership team, we have a qualified senior management team with experienced team in the field of production and sales of consumer goods, procurement of Agri-Commodities and franchisee relations management and development, which we believe positions us well to take advantage of future growth opportunities and drive our continued success.

Presently most of our sales are derived from Delhi-NCR region. Our extensive franchisee network comprised of 4 company-owned outlets and 6 franchisee-owned outlets, totalling 10 Exclusive Brand Outlets which sells and markets only our brand's products, complemented by our sales and marketing team comprising of 12 employees, as of December 31, 2023. We also rely on D2C platform through our in-house built Mobile Application both on Google Play Store and Apple's App Store and Company website which is available for sale of our products. We have implemented a franchisee management system that helps us coordinate with our franchise owners, store managers and provides the visibility on our inventory levels and franchisee and store sales, enabling us to optimize our distribution network and reduce the time between the food product manufactured in our facility to consumer's kitchen which is around within same day to maximum 1 day. This strong approach towards good supply-chain management across different business processes enable us to preserve the freshness, taste and nutritional value of our products.

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Our range of flour includes MP Sharbati Atta, MP Lok One Atta, Multi-grain Atta along with different healthy flours. Over the years, we have leveraged our experience and understanding of the preferences and tastes of our consumers, and target markets to develop a wide range of products, which has strengthened our foothold in the Delhi-NCR region specifically in Indian Flour, Spice and Foods category. As of the date of this Draft Prospectus, our product portfolio comprised of 4 categories which include products such as, Spices & Herbs, Oil, Wheat Flour (Chakki Atta) & Healthy Flour, Pulses, Rice & Grain and other food products with 153 product SKUs, thereby addressing a wide variety of tastes and preferences.

We operate from our manufacturing facility Village- Bhondsi, Near Geeta Nand Ashram tehsil, Sohna, Gurugram-122012. Our manufacturing facility is equipped with plant & machinery to facilitate efficient and effective production process of cleaning, drying, grading, grinding and packaging. All spices, flour and other product are manufactured at our unit with utmost care and by way of natural process and scientific methods so as to retain the natural properties of the food like color, odor and nutritional value with time. Systematic procurement of raw spices, flour and herbs in their respected seasons help us to provide linear quality flour, spices and other food products for the whole year. We also sell tea masala and other grocery products like mustard oil, sambhar masala, Channa masala, chaat masala and various other grains and rice exclusively through our brand retail outlets and D2C mobile application and website which are frequently used in the kitchen. All our products are manufactured at our own manufacturing facility and packaged under our brand name of “**HARIOM**”. Our manufacturing facilities are accredited with FSSAI license under Food Safety and Standards Act, 2006.

Our revenues from operations for nine month ended December 31, 2023 and the financial year ended on Fiscals 2023, 2022 and 2021 were ₹ 1,148.59 lakhs, ₹ 1,208.56 lakhs, ₹ 1,087.27 lakhs and ₹ 742.26 lakhs respectively. Our EBITDA for nine month ended December 31, 2023 and the financial year ended on Fiscals 2023, 2022 and 2021 was ₹ 131.72, ₹ 114.39, ₹ 59.71, and ₹ 35.63, respectively. For further details, please refer to the section titled “**Financial Information**” on page 152 of this Draft Prospectus.

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Key Performance Indicators of our Company

(in Rs. Lakhs)

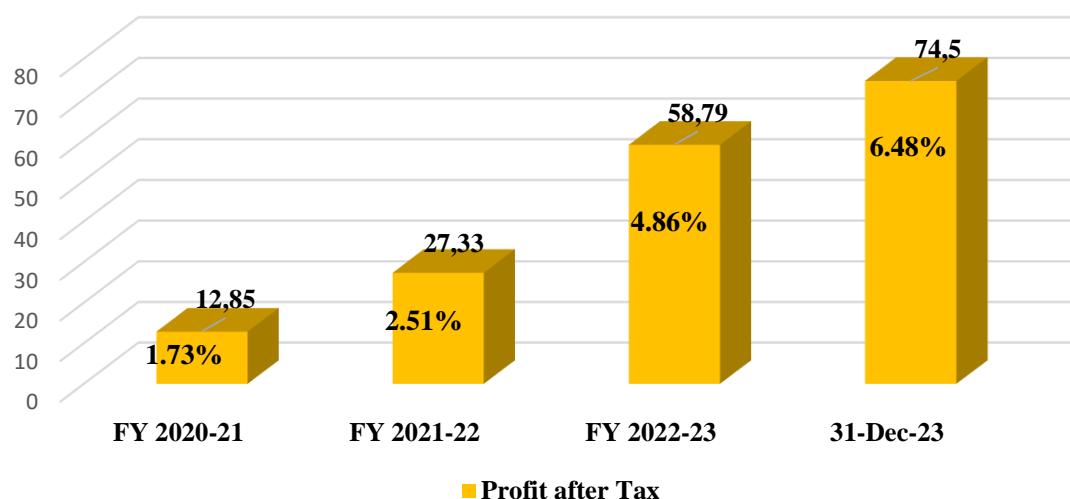
Particulars	For the nine-month period ended December 31, 2023	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)	For the year ended March 31, 2021 (Restated)
Revenue from Operations ⁽¹⁾	1,148.59	1,208.56	1,087.27	742.26
EBITDA ⁽²⁾	131.72	114.39	59.71	35.63
EBITDA Margin ⁽³⁾	11.41%	9.38%	5.46%	4.77%
PAT	74.50	58.79	27.33	12.85
PAT Margin ⁽⁴⁾	6.49 %	4.86 %	2.51 %	1.73 %
Return on Equity ^{(5) (10)}	23.60 %	37.48 %	27.87 %	39.83 %
Return on Capital Employed ^{(6) (10)}	23.43 %	30.12 %	21.97 %	20.16 %
Current Ratio	1.75	1.40	1.36	1.40
Debt to Equity Ratio (in times) ^{(7) (10)}	0.27	0.32	0.54	1.67
Net Fixed Asset Turnover Ratio ^{(8) (10)}	11.68	17.59	24.83	21.12
Working Capital Days ^{(9) (10)}	65 Days	34 Days	25 Days	23 Days

Notes:

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements
2. EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
3. EBITDA Margin' is calculated as EBITDA divided by Total Income.
4. PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
5. Return on Equity is calculated as profit after tax attributable to owners of the Company divided by total equity.
6. Return on Capital Employed is calculated as EBIT divided by Capital Employed. EBIT is calculated as EBITDA minus depreciations. Capital Employed is calculated as total equity plus borrowing (long term and short term) minus cash and bank balances.
7. Debt to Equity Ratio is calculated as total borrowings divided by total equity.
8. Net Fixed Asset Turnover Ratio is calculated as revenue from operations divided by net fixed assets which consists of property, plant and equipment and intangible assets.
9. Working Capital Days is calculated as working capital (current assets minus current liabilities) as at the end of the year divided by Revenue from Operations multiplied by number of days in the year.
10. Figures are on an unannualized basis for December 31, 2023 and 2022.

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Profit after Tax, PAT Margin (in %)
(in Rs. Lakhs)

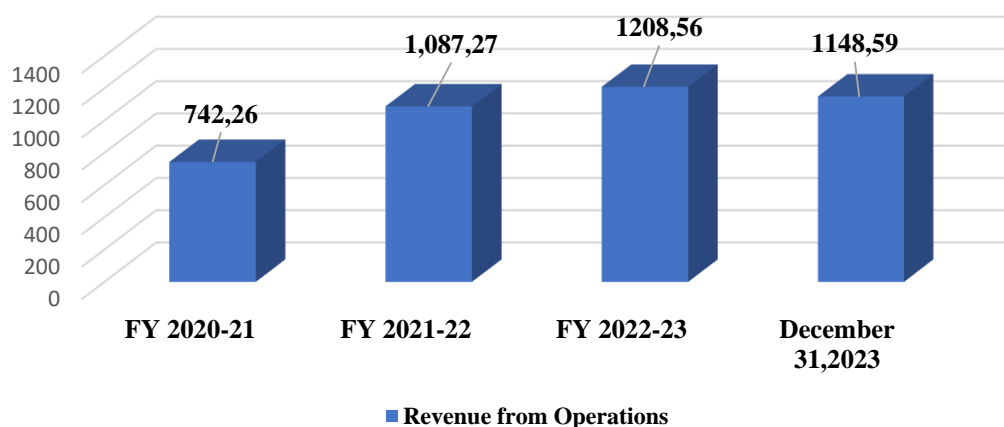


OUR COMPETITIVE STRENGTHS

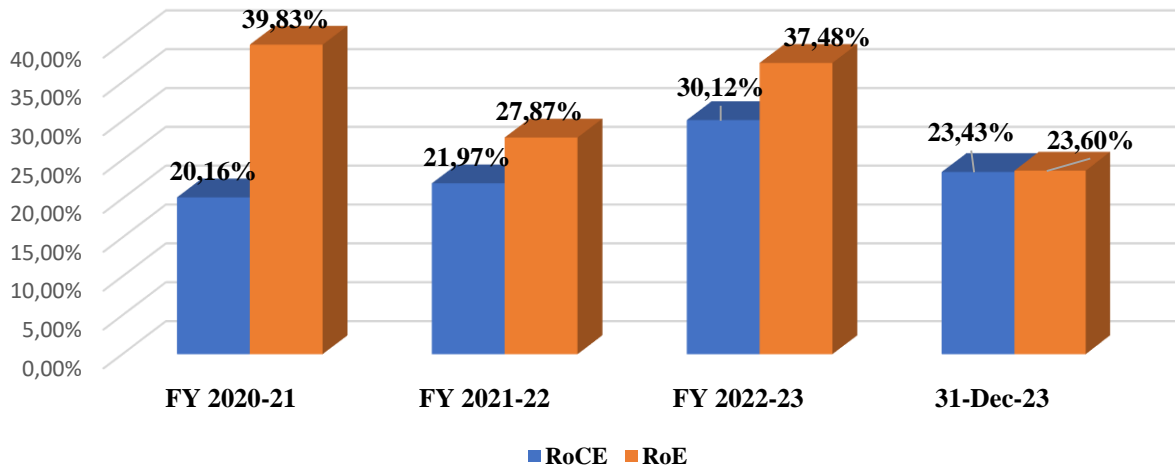
Unique and Sustainable business model

Our unique business model has helped us to build a sticky customer base in and around Delhi-NCR. Our Company is engaged in manufacturing flour (chakki atta), spices, herbs, and markets and selling it in and around Delhi-NCR. Our unique business model has helped us control the costs of the business operations from sourcing raw materials from vendors and farmers to products reaching the customer. The distribution of our product takes place through a direct-to-customer (“D2C”) model, where we have company-owned stores and franchisee-run stores and we have a mobile application (available on both the Play store and App store), wherein the customer puts the order. We deliver the products directly to the doorstep of our customers. To ensure that our customer gets the maximum nutritional value of our flour (chakki atta) and spices and herbs, we maintain the freshness of the product by making it available to our customer within same day or maximum 1 day from the date of manufacturing. To make our products sustainable and in addition to using locally available quality unadulterated raw materials, we also ensure that we do not tamper with the taste of the spices by not adding any artificial preservatives or chemicals while manufacturing them.

Revenue from Operations
(in Rs. Lakhs)



RoCE & RoE



In recent years, we have attracted more customers to our Exclusive Brand Outlets, resulting in increased revenue. Our cost-optimization method of installing flour-grinding machines in most of our Exclusive Brand Outlets and introducing health-conscious food products such as *Healthy Flours*, *Multi-grain Flours*, etc. have helped us to improve our Profit Margins, thereby resulting in better Return on Capital Employed and Return on Equity.

Diversified Product Portfolio capable of capturing growing Indian Flour, Spice & food market

We believe that our understanding of the consumer's culinary taste complements our product development capabilities, which has allowed us to develop a comprehensive product portfolio of a variety of spices and other grocery products like: Chai masala, Mustard Oil, pulses, etc. Our product portfolio comprises of 153 product SKUs of ground and blend spices, Wheat Flour (Chakki Atta). Over the years our brand has witnessed its survival with continued innovation and introduction of new products, including launching of innovative

PRODUCTWISE REVENUE BIFURCATION

The following infographic sets forth our product categories with respective sales contributions under our brand as of December 31, 2023:

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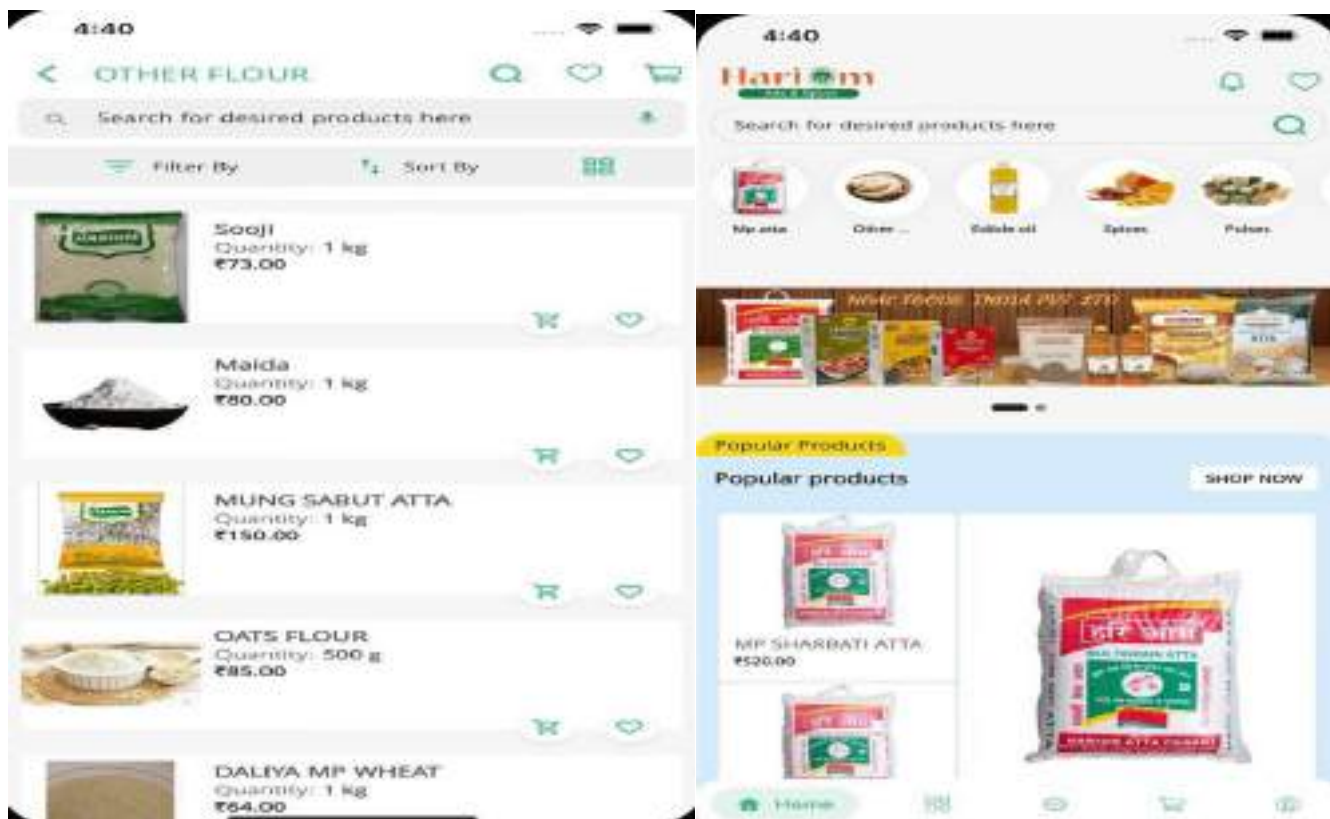
Omnichannel Approach

We make our products available to our customers through omni-channel distribution networks across both online and offline touchpoints. We strategically leverage our presence on online channel (both D2C platform which is our in-house built Mobile Application and Website and Exclusive Brand Outlets).

Distribution Channels	For the nine-month period ended December 31, 2023		For the year ended March 31, 2023		For the year ended March 31, 2022		For the year ended March 31, 2021	
	Amount (in Rs. Lakhs)	% of the Total Revenue	Amount (in Rs. Lakhs)	% of the Total Revenue	Amount (in Rs. Lakhs)	% of the Total Revenue	Amount (in Rs. Lakhs)	% of the Total Revenue
Online Channels (Mobile Applications, Website, In calls)	239.84	20.9	297.15	24.6	271.94	25.2	229.46	30.9
Offline Channel	908.74	79.1	912.94	75.4	808.43	74.8	512.79	69.1

(Exclusive Brand Outlets)								
Total	1,148.59	1,208.56	1,087.27	742.26				

Mobile Application Walkthrough



Cluster-based distribution through retail outlet network

We have leveraged our Omni channel database of consumers to select store locations, design brand and assortment mix, direct traffic to our stores, plan offline marketing events and campaigns in housing society to create more brand awareness and relevance and as a result it helps us in creating an experiential based, educational and personalized shopping experience. We also developed our hyper-local delivery capability which allows us to use our physical stores and manufacturing unit as last mile delivery hubs for online orders across Delhi-NCR, which is our focus market. This has helped us improve our speed of delivery and optimize our inventory by making it more fungible.

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HOAC stores in Delhi-NCR region

In-house Manufacturing capabilities

We grind and combine spices in our manufacturing facility located in *Village- Bhondsi, Near Geeta Nand Ashram tehsil, Sohna, Gurugram-122012*. We are equipped with plant and machinery which enables us to process, grade, and package manufactured spices in a clean and safe manner. Our manufacturing facilities have an FSSAI license under the Food Safety and Standards Act of 2006.



Wheat Cleaning & Grinding Process

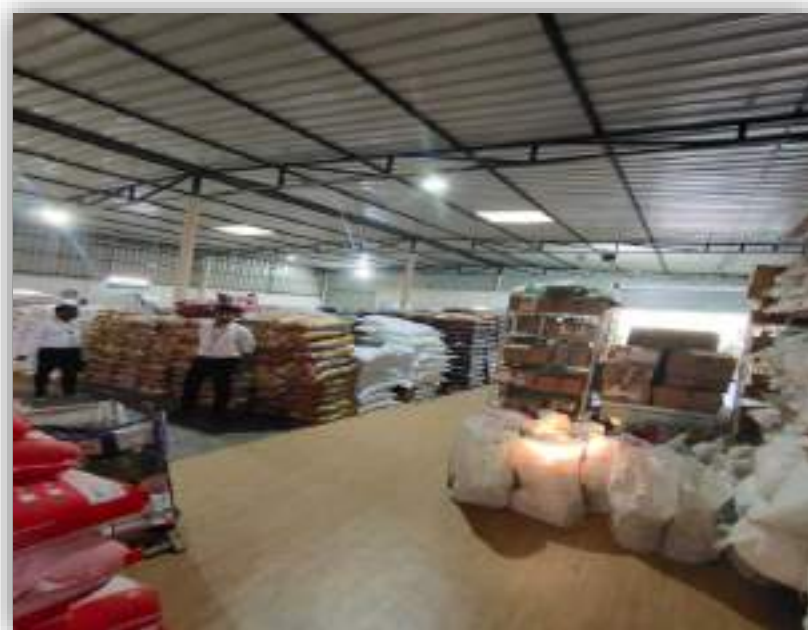


Spice Grinding & Processing Area

We installed a cleaning equipment and a specific grinding facility to grind each variety of spice into powder, such as chili, turmeric, cumin, and coriander. The majority of our manufacturing operations are mechanized, reducing the need of physical labor. However, we have skilled and experienced personnel who manage the infrastructure such as cleaning, sorting, and packing facilities, as well as sanitary storage areas. Experienced personnel do a quality check on all spices and guarantee that they are properly preserved in our warehouse to keep insects away.



Packaging section



Finished Goods Section

Consistent focus on quality and maximum nutritional value

We believe that quality is a pre-requisite for a positive consumer experience and long-term brand loyalty. This philosophy has formed the foundation of the expansion and diversification of our product portfolio since our inception. Our focus on quality is maintained across the entire production chain, including sourcing, processing, manufacturing, packaging and distribution. The raw ingredients used in our products are of standard quality. Our commitment to stringent quality control has been critical

to our success and has contributed to customers associating our brand with trust and transparency. We have maintained good and strong relations with our raw material suppliers which help us to procure quality raw materials at competitive rates.

Strong and stable management team with proven ability

We believe that our management team has a long-term vision and has proven ability to achieve long-term growth of the company. Our Promoters have prolonged experience in food processing industry, specifically in Flour and Spice industry. We believe that our business growth is attributable to rich promoter experience. Thus, we are well placed to capitalize the knowledge and experience of our promoters and management team which has been instrumental in growth of our company.

Long Standing Relationship with our customers

We have been in the business of manufacturing the spices since more than a decade and have successfully developed and supplied quality products to our customers. We believe that our understanding of the Indian palate complements our product development capabilities and has allowed us to develop a long-standing relationship with our customers. Our past experience in the supply of our products, ability to meet specific taste requirements of our customers, reputation for quality of our products and the price competitiveness of our offerings has enabled us to establish and maintain relationships with our customers. Our sales & distribution network of retail outlets is aided by our in-house sales and marketing team, which liaise with our customers on a regular basis for customer inputs, market demands as well as positioning of our products vis-a-vis products of our competitors.

Robust Supply-chain Management

An efficient and effective supply chain management system is crucial for any organization in the FMCG sector, particularly in wheat flour and spices segment. Since this industry is competitive, we decided to adopt a strategy different from our industry peers in order to have sticky customer base and repeated orders. A key aspect of supply-chain management is ensuring customer satisfaction and HOAC is very cautious about this aspect, therefore we ensure that our customer service is excellent which ensures us to address any issues in the quality of the product or concerns that arise during the ordering and delivery process. Also, utilizing technology and automation have helped us to streamline various aspects of the supply chain, such as inventory management, order processing, and tracking shipments. This helps us to improve our efficiency and reduce errors.



We carefully manage our inventory to ensure that it has enough finished products on hand to fulfill customer orders promptly without excess stock that could lead to waste. This involves forecasting demand, monitoring inventory levels, and replenishing stock as needed. We also have ensured that our network of retail outlet stores are strategically located to ensure quick and efficient delivery to customers. These retail outlets and our sales team would stock the finished products and coordinate the delivery process through our reliable transportation partners to ensure timely delivery of products to our retail outlets and to our customer's doorsteps.

By effectively managing each of these components, we ensure that it procures raw materials efficiently, produces high-quality products, and delivers them to customer's doorsteps and our retail outlets within 1-2 days of time, meeting or even exceeding customer expectations.

OUR BUSINESS STRATEGIES

Further enhance our presence in our core market of Delhi-NCR and other Metropolitan cities

We intend to continue to gain market share and strengthen our leadership position in our core market of Delhi-NCR. We intend to deepen penetration in Delhi-NCR with a focus on increasing our market share in this region by leveraging our distribution networks via Retail Outlets and other Supermarket stores of Delhi-NCR. We intend to increase more retail outlets by adding more franchisees which will enable us to deepen our market penetration and expand our reach to new customers within Delhi-NCR.

Continue to strengthen our existing product portfolio and diversify into products with attractive growth and profitability prospects.

Our product portfolio under the brand “HARIOM” consists of spices, chakki-atta, pulses and mustard oil. As on December 31, 2023 we maintain SKUs of more than a 100 Ground Spices Blend Spices, Wheat Flour & Healthy Flour, Oil and other products. We have consistently focused on expanding and optimizing our product range to offer a wide range of culinary options for Indian Kitchen. A few decades ago, people would manually grind their spices at home, create their own blends of cooking. However, as lifestyle and work styles changed urbanization increased, the organized retail sector grew, which in turn affected consumer purchasing habits. Rising urbanization in India boosts retail spending, benefiting the spices and packaged grocery products industry, as food is the most commonly purchased item. Our goal is to create new food products that meet the changing need of our big consumer base and expand into new categories.



“HARIOM Healthy Morning”



“HARIOM Nutritious Flours”

Understanding our target demographic of the consumer market and our customer's preferences is important in introducing new product within our existing product portfolio. Introducing "Healthy Morning" which is a packaged product containing chickpeas, peanuts, different varieties of sprouts, raisins and other grains which are indeed nutritious ingredients, rich in protein, fibre, vitamins and minerals. Packaging these ingredients together in a convenient format makes it easier for consumers to incorporate them into their morning routine. Our exclusive range of nutritious flours, including Ragi Atta, Soya Atta, Barley Atta, Missi Roti Atta, Makki Atta, and Besan, is meticulously crafted to deliver 100% nutritional value and unparalleled freshness. In food choices, convenience is often a key factor, especially for busy individuals in Metropolitan cities.

Modernization and Expansion in the existing manufacturing facility

We intend to modernize our existing manufacturing facility with latest technology and automation. We will be initiating this process by evaluating existing manufacturing process to identify bottlenecks and inefficiencies and implement lean manufacturing principles to streamline operations as result it helps in reducing waste and enhance productivity. Upgrading utilities infrastructure including HVAC systems, ventilation, and lighting for energy efficiency and employee comfort.

We will be adopting more advanced ERP software to streamline inventory management, procurement and order processing and utilize IoT sensors for real-time monitoring of equipment performance and predictive maintenance to minimize downtime. Exploring automation techniques in blending, grinding, and packaging processes to increase efficiency and reduce labour costs. Introducing advanced testing methods and equipment for quality assessments, including sensory evaluation and microbial analysis.

Increasing Same Store Sales Growth

Our Exclusive Brand Outlets which include both company-owned and franchisee-run outlets provide us the ability to interact with our customers. To drive engagement and improve the customer retention, we train and educate our sales team particularly the retail store manager and also incentivize increased sales of a particular store every month, these steps and initiatives helps us in increasing the Same Store Sales Growth. Moreover, we actively leverage insights on consumer preference from our D2C channel at a pin-code level to define our offline store expansion strategy and portfolio rationalization strategy. We have established scale across both online and offline channels.



To increase the same store sales, we have installed Flour grinding machine in most of our Exclusive Brand Outlets as our Company's goal is offer freshly grinded flour to our customers as these flour grinding machines sets our Company apart from

competitors, potentially attracting more customers who value freshness and customization. Offering flour grinding services allows customers to customize their flour blends according to their preferences, such as choosing different types of grains or textures. These steps enhance the overall shopping experience for our customers, giving them a sense of involvement and control over the quality of ingredients our customers want.

Focus on meeting quality standards.

Our company intends to focus on adhering to the quality standards of the products. From the perspective of our customers, the company places a high-value on product quality. Sustaining product quality standard requires regular quality reviews and prompt remedial action when there is a deviation from the expected level of quality. Providing high-quality items build trusts and fosters long-term connections with customers.

We want to strengthen quality control measures to ensures consistency and safety in all the product categories and implement a traceability system to track the origin of raw materials and ensure compliance with food safety standards.

Maintaining cordial relationships with our Suppliers, Franchisee Owners, customers, and employees.

We feel that maintaining good relationships with our suppliers, customers, franchisee owners and our employees are the most crucial component in keeping our company flourishing. We execute a regular procurement procedure for our core raw materials, which allows us to buy raw materials at competitive prices while maintaining the standard quality. With the years, we have been able to establish solid bonds with our current customer base, owing to our committed, goal-oriented approach and prompt, effective product delivery. Furthermore, we believe that developing strong, mutually beneficial long-term relationships with strategic suppliers is an important step toward enhancing supply-chain performance, increasing cost-efficiency, and allowing the organization to expand and flourish.

Scale up branding, promotional and digital activities

Our products are made for human consumption; thus, we must constantly concentrate on branding and promotional efforts to increase our awareness and credibility in the spice market. Our marketing activities prioritize building and maintaining consumer relationships. To further create brand visibility, we also participate in exhibitions and in housing complexes.

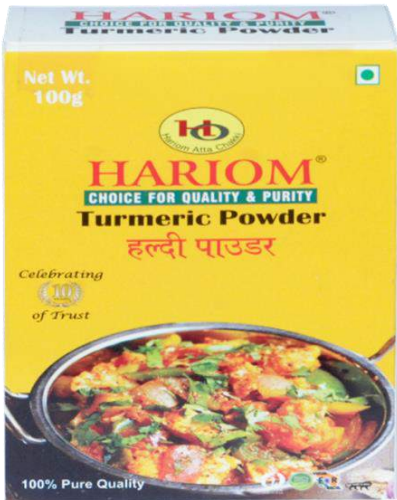




Our intent to reach out to customers through the digital platform and social media will enable us to reach and engage with a wider audience. We intend to continue and expand our offline marketing initiatives mostly in the urban housing complexes in our focus market area which is Delhi-NCR region where we can tap more customers

OUR PRODUCT PORTFOLIO

The following sets out of our product under categories:

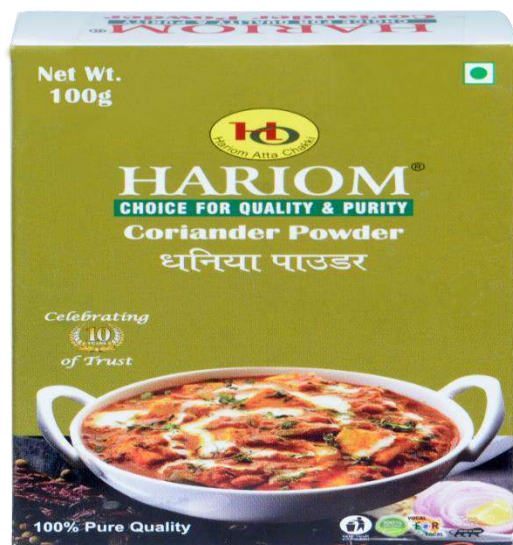
Product	Description
	<p>HOAC Foods India Limited has introduced our, Haldi (Turmeric) Powder. This spice is widely used in Indian cuisine for its distinct flavour and vibrant colour. Apart from its culinary uses, turmeric is also known for its potential health benefits, such as anti-inflammatory properties and antioxidant effects.</p> <p>At HOAC, we take pride in sourcing only A-grade quality raw materials for our Haldi (Turmeric) Powder. We have established direct relationships with trusted hubs known for their superior turmeric production.</p> <p>By procuring directly from these hubs, we ensure that our customers receive a product of the highest quality, with the authentic flavors and beneficial properties that turmeric is renowned for.</p> <p>Customers can choose from three available quantities: 100g, 200g, and 500g. These options provide flexibility for consumers based on their usage needs and preferences.</p>



Introducing our Premium Chilli Powder by HOAC Foods. Sourced from trusted chili hubs, our Chilli Powder brings together the finest selection of chili peppers to deliver an exceptional taste experience.

At HOAC Foods, we maintain direct partnerships with renowned chili hubs known for their expertise in producing top-quality peppers. These hubs act as central gathering points for superior chili varieties from various regions. Our dedicated team meticulously selects the best chilies, ensuring that only the finest make it into our Chilli Powder.

Packaged with care, ensuring that every pinch delivers the desired heat and taste. With package options of 100g, 200g, and 500g, you can choose the quantity that suits your culinary needs.



Introducing our Dhaniya Powder (Coriander), crafted to enhance the Flavors of your culinary creations. Made with care and precision, our Dhaniya Powder is a must-have in every kitchen.

At HOAC Foods, we understand the importance of quality ingredients. That's why we source the finest coriander seeds from trusted suppliers known for their expertise in the field. Our Dhaniya Powder is made from carefully selected coriander seeds that undergo a thorough cleaning and grinding process to ensure purity and freshness.

We offer our Dhaniya Powder in convenient quantities of 100g, 200g, and 500g, allowing you to choose the right amount for your cooking needs. Each package is carefully sealed to maintain the freshness and aroma, ensuring that you get the most flavour out of every sprinkle.



Introducing HOAC Spices – a collection that transcends ordinary culinary experiences, elevating your dishes to new heights of flavour and aroma. At HOAC Foods, we understand that spices are the soul of any cuisine, and our meticulously curated spice range reflects our commitment to quality and authenticity.

Whether you're creating traditional dishes or experimenting with innovative recipes, HOAC Spices are your culinary companions. With each spice offering a distinct character, our collection empowers you to unleash your creativity in the kitchen.

Elevate your culinary journey with HOAC Spices – where quality, authenticity, and passion converge to transform every meal into a gastronomic masterpiece. Welcome to a world of unparalleled flavours and a celebration of the culinary arts with HOAC Spices.



At HOAC FOODS, we recognize the paramount significance of superior ingredients in creating memorable meals, and our MP Sharbati Flour stands as a testament to that commitment.

Meticulously selected from the fertile fields of Madhya Pradesh, our Sharbati wheat is chosen for its exceptional quality and high protein content. We partner with trusted suppliers renowned for their expertise, ensuring that only the finest grains make their way into our flour. Through a rigorous process of cleaning and stone-grinding, we guarantee a product that epitomizes purity and freshness.

The unique characteristics of our MP Sharbati Flour, marked by its robust flavour and soft texture, make it an indispensable addition to your kitchen.

Available in convenient packaging sizes of 1kg, 1kg, 5kg, and 10kg our MP Sharbati Flour caters to your specific cooking needs. Each package is hermetically sealed to preserve the flour's freshness and nutritional integrity, ensuring that every meal prepared with our flour is a celebration of quality and taste.



At HOAC FOODS, we believe in the power of diverse grains to enhance your well-being, and our unique combination of MP Sharbati Wheat, Chana (chickpeas), Soya, Barley, Makka (corn), Ragi (finger millet), and Alsi (flaxseeds) is a testament to that philosophy.

Our multigrain atta is a fusion of the finest ingredients sourced from trusted partners, each chosen for its distinct nutritional profile.

The MP Sharbati Wheat forms the foundation, providing a soft and fluffy texture to your rotis, while Chana adds a protein boost. Soya contributes essential amino acids, Barley introduces fibre, Makka imparts a hearty flavour, Ragi brings in its rich calcium content, and Alsi adds a dose of omega-3 fatty acids.

Available in user-friendly packaging sizes of 2kg, 5kg, and 10kg, our Nutri Blend Multigrain Atta accommodates your varied cooking needs.



Our exclusive range of nutritious flours, including Ragi Atta, Soya Atta, Barley Atta, Missi Roti Atta, Makki Atta, and Besan, is meticulously crafted to deliver 100% nutritional value and unparalleled freshness.

Elevate your meals with the nutritional benefits of Ragi, Soya, Barley, Missi Roti, Makki, and Besan. With our commitment to freshness, customization, and quality, we redefine the standards of healthy living for a vibrant and nourishing lifestyle.

Indulge in the goodness of our flours, available in convenient packaging sizes of 500gm and 1kg. For those seeking a more personalized touch, we offer customization options, allowing you to choose the weight that best suits your needs.



Our diverse selection includes Tuvar Dal, Lobiya, Rajma Chitra, Rajma Jammu, Chana Dal, Kala Chana, and more – each a powerhouse of unpolished, high-protein goodness.

We source only the finest pulses, ensuring they are unpolished to retain their natural nutritional value. Packed with high protein, these pulses are a vital addition to a balanced and healthy diet.

Elevate your meals with the high-protein goodness of Tuvar Dal, Lobiya, Rajma Chitra, Rajma Jammu, Chana Dal, Kala Chana, and more. With our commitment to freshness, customization, and quality, we redefine the standards of healthy living for a vibrant and nourishing lifestyle.



Our Yellow Mustard Oil is extracted using a meticulous cold-press process, ensuring that the natural properties and distinct pungency of mustard seeds are preserved. This method results in an oil that not only enhances the flavour of your dishes but also retains its nutritional integrity.

A heart-healthy choice, our Yellow Mustard Oil is known for its high content of Omega-3 fatty acids, promoting cardiovascular well-being. The oil is a versatile addition to your kitchen, whether for cooking, frying, or as a zesty dressing for salads.

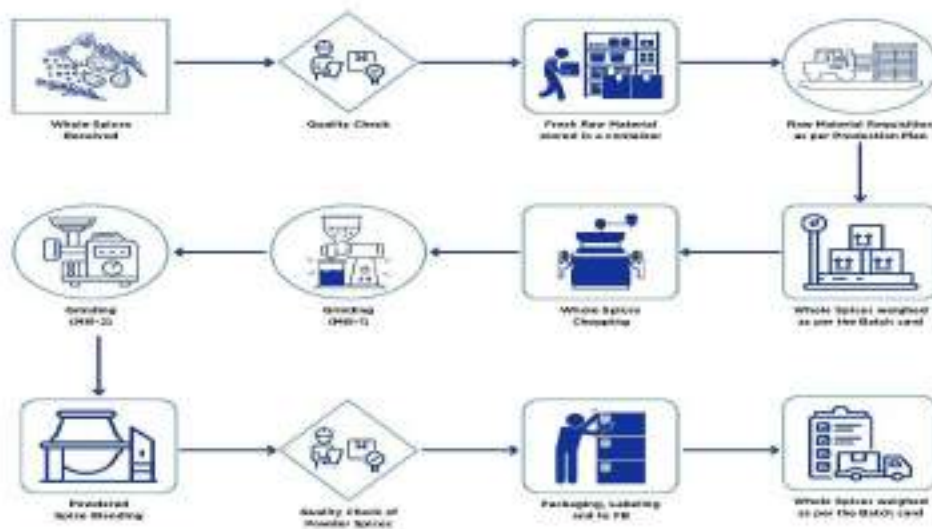
Known for its robust and pungent flavour, HOAC Foods' Yellow Mustard Oil adds a unique character to a variety of cuisines. Whether used in traditional Indian cooking or as a flavourful base for marinades and dressings, it imparts a signature taste that elevates your culinary creations.

Our Yellow Mustard Oil undergoes rigorous testing to meet the highest standards, guaranteeing a product that not only exceeds culinary expectations but also contributes to your overall well-being

Choose from the convenient 1-litre bottle for everyday use or the economic 5-litre container for larger culinary ventures. Our thoughtfully designed

MANUFACTURING PROCESS

Spices



Sharbati Wheat Flour & Wheat Flour manufacturing process





REVENUE BREAK-UP

A revenue breakup of the revenue earned from the sale of spices and wheat flour for the period ended December 31, 2023 and the preceding three fiscals has been provided below:

(In Rs. Lakhs)

Sr. No.	Products	December 31 2023		FY 2023		FY 2022		FY2021	
		Amount	% of the Total Revenue	Amount	% of the Total Revenue	Amount	% of the Total Revenue	Amount	% of the Total Revenue
1.	Spices	229.71	20.00	242.01	20.00	216.07	20.00	148.45	20.00
2.	Wheat Flour	631.72	55.00	665.55	55.00	594.20	55.00	408.24	55.00
3.	Mustard Oil & Other Products	287.14	25.00	302.52	25.00	270.09	25.00	185.56	25.00
Total		1,148.59	100.00	1,210.09	100.00	1,080.38	100.00	742.25	100.00

PLANT & MACHINERY

S.No.	Details of the Machinery	Year of Purchase	Quantity	Purpose
1.	PULVISOR	2017	2	SPICES GRINDING
2.	STONE GRINDING MACHINE	2017	1	SPICES GRINDING
3.	PNEUMATIC CONVEYING	2023	5	SPICES, Wheat, Grains, OIL, CONVEYOR
4.	WHEAT ELEVATOR	2021	1	WHEAT
5.	SEED CLEANER	2021	1	WHEAT
7.	GRAVITY SELECTOR	2021	1	WHEAT
8.	WHEAT STORAGE TANK (1)	2021	1	WHOLE WHEAT STORE
9.	WHEAT SEPARATOR	2021	1	WHEAT QUALITY SEPARATE
10.	DUST COLLECTOR	2021	4	DUSTING
11.	WHEAT STORAGE FINAL TANK	2021	1	WHEAT STORAGE
12.	FLOUR MACHINE (30 inch)	2021	1	WHEAT FLOUR
14.	OTHER GRAINS GRINDING MACHINE (24 inch)	2022	3	GRAINS, FLOUR, GRINDING
16.	FLOUR MACHINE (18 inch)	2021	3	GRAM, WHEAT, OTHER FLOUR
17.	PULSES STRAINER	2021	1	PULSES CLEANING
18.	POUCH FILLER SEMI AUTOMATIC MACHINE (96ltr) HOPPER	2021	1	ALL PULSES AND RICE PACKING
19.	BAND SEALING MACHINE (1/6 HP)(1)	2021	4	SPICES POUCH SEALING

23.	GRAIN CLEANING MACHINE	2022	1	MULTIGRAIN FLOUR AND OTHER FLOUR
26.	OIL EXPELLER (6 BOLT)	2022	1	CUSTOMIZE FLOUR MACHINE
31.	WEIGHING MACHINE	2012,2020	12	WEIGHT MACHINE

CAPACITY UTILIZATION

Sr. No.	Product Category	Installed Capacity (In Kgs)	31 st December,2023		FY 2022-23		FY 2021-22		FY 2020-21	
			Actual Production	Capacity Utilization	Actual Production	Capacity Utilization	Actual Production	Capacity Utilization	Actual Production	Capacity Utilization
1.	Flour and other Healthy Flour	58,68,000	13,25,294.00	22.58%	14,81,747.760	25.25%	13,50,477.05	23.01%	9,68,161.043	16.49%
2.	Blend Spices, Whole Spices & Herbs	23,76,000	50,487.40	6.37%	54,386.25	6.86%	51,941.43	6.55%	39,481.740	4.98%
3.	Oil/ Yellow Mustard Oil	73,320	46,128.050	62.91%	49,391.59	67.36%	44,097.20	60.41%	36,207.65	49.38%

**As certified by Goyal N Associates, an independent chartered engineer, by certificate dated January 27, 2024.*

(1) Installed Capacity represents the installed capacity as of the last date of the relevant period and the available capacity has been calculated based on the available capacity for the relevant period. The assumptions and estimates are on the basis of explanations provided, documents verified and on the basis of operating days calculated on an annual basis. Considering these are multiproduct facilities as well as the nature of the manufacturing involves manual intervention, we have taken a combination of these factors to determine the installed capacity.

(2) Actual production represents quantum of production in the relevant manufacturing facility in the relevant period.

COLLABORATIONS/TIE-UPS/JOINT VENTURES: -

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

EXCLUSIVE BRAND OUTLETS

S.No.	Stores	Location	Company Owned/ Franchisee Owned
1.	HARIOM ATTA & SPICES	Dwarka: D-426A, Palam Extension, Ramphal Chowk, Sector-7, Dwarka, New Delhi-75	Company-Owned
2.	HARIOM ATTA & SPICES	Dwarka: G-4, Vardhman Prasad Plaza, K.M. Chowk, Sector-12, Dwarka, New Delhi-75	Company-Owned
3.	HARIOM ATTA & SPICES	Gurugram: Shop No.40, Valley View Estate, Gwal Pahadi, Gurugram - 122003	Company-Owned
4.	HARIOM ATTA & SPICES	Gurugram: Booth No. 132, Ground Floor, Sector-15 Part-2, Huda Market, Gurugram, HR-01	Company-Owned
5.	HARIOM ATTA & SPICES (NEELAM ENTERPRISES)	Gurugram: Shop No. 66, Ameya The Sapphire Mall, Sector-49, Gurugram-122018	Franchisee Owned

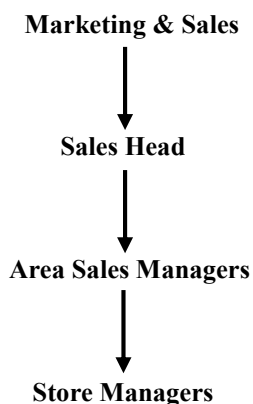
6.	HARIOM ATTA & SPICES (NEELAM ENTERPRISES)	Gurugram: Shop No. G-11, Spaze Corporate Park, Tulip Chowk, Sector-69, Gurugram-122101	Franchisee Owned
7.	HARIOM ATTA & SPICES (SAYNA FOODS)	Gurugram: Shop No.97, Huda Market, Sector-23, Gurugram-122017	Franchisee Owned
8.	HARIOM ATTA & SPICES (FARM2HOME)	Gurugram: Shop No.51, Ground Floor, Sapphire Eighty-Three, Sector-83, Gurugram-122004	Franchisee Owned
9.	HARIOM ATTA & SPICES (YUVRAJ ENTERPRISES)	GB-102, Conscient One Mall, Sector-109, Gurugram-122001	Franchisee Owned
10.	HARIOM ATTA & SPICES (ASHOK FLOUR MILL)	Faridabad: Shop No. 38, Huda Market, Sector-16, Faridabad-121002	Franchisee Owned

COMPETITION

The Indian masala and grocery products market is highly competitive. We believe the principal elements of competition in our industry are product range, quality, brand image, price, delivery, and general customer experience. We face competition from various organized and unorganized players in the industry. Amongst unlisted companies, our major competitors include Gandhi Spices Private Limited (Hathi Masala), Adani Food Products Private Limited, Ramdev Food Private Limited, MDH Masala Private Limited, Baadshah Masala Private Limited, Everest Masala Private Limited. In the listed space we face competition from NHC Food Limited, Madhusudan Masala Limited and Srivari Spices & Foods Limited, etc. Additionally, we face competition from several regional, unorganized manufacturers and retailers. For further details, see “Risk Factors - We operate in a competitive market and any increase in competition may adversely affect our business and financial condition.”

MARKETING & SALES

Our Marketing & Sales team is structured as below in order to build good rapport with the customers owing to quality and timely delivery of products plays an instrumental role in creating and expanding a work platform as well as building the trust for our Company.



We prioritize customer quality expectations and use cutting-edge technology to improve our products and meet their demands. We plan to expand our customer base and reach through expansions into other regions. We aim to expand our marketing reach and distribution & franchisee network to promote our business.

INFORMATION TECHNOLOGY

Our information technology systems are vital to our business and we have adopted an information technology software to assist us in our operations. The key functions of our information technology team include establishing and maintaining enterprise information management systems and infrastructure services to support our business requirements. Our day-to-day business operation activities are performed using enterprise resource planning software that are integrated with our production systems and manufacturing processes, and assist us in other operational areas like finance, sales, purchase, inventory maintenance,

production, data handling and supply chain management. We also rely on a franchisee management system for coordination between us and distributors.

INFRASTRUCTURE & UTILITIES

Raw Materials: Our raw material requirement includes whole wheat, whole spices such as chillis, coriander seeds, cumin seeds, turmeric, etc. We are largely dependent on the agricultural industry for almost all of our raw materials including wheat, spices, etc. Agricultural industry is largely dependent on various factors including monsoon and weather conditions. Procurement of raw material during harvest season can be done at competitive prices along with retaining standard quality.

Packaging: Our primary packaging material for packed spices and flour (chakki atta) is plastic laminate, which gives our product a shelf life of three to six months. For added protection during shipping and distribution, we use corrugated boxes as secondary packaging. These materials help us safeguard the primary packs at various stage of the sales and distribution process.

Power: The electricity for our manufacturing unit is sourced from following corporation for the following business premises:-

Office: *BSES Rajdhani Power Limited*

Manufacturing Facilities: *Dakshin Haryana Bijli Vitran Nigam*

Exclusive Retail Outlet: *Electricity sourced from the respective State Electricity Board*

Water: Water is only used for drinking and sanitation purposes at our factory and office premises.

HUMAN RESOURCES

Our team combines of experienced and young people, enabling stability and growth while adhering to high quality standards.

Department wise bifurcation of our employees as of December 31, 2023 has been provided below:

S. No.	Division/Department	Number of employees
1.	Sales and Marketing	12
2.	Administration	7
3.	Manufacturing	7
4.	Operations	20
5.	Others	4
Total		50

We also employ contractual labour, which provides us with readily available labours as per the requirements. We hire contract labourers depending on various factors like the location, size, duration, etc. and have several contractors providing skilled and unskilled labour at competitive prices.

INSURANCE

Our operations are subject to accidents that are inherent to any manufacturing process such as risks of machinery/equipment failure, worker accidents, fire, earthquakes, flood, and other force majeure events, acts of terrorism, and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We have obtained insurance coverage in respect of certain risks related to stock transit, plant & machinery, office building, stocks at warehouses, stocks at the factory, and marine Cargo Insurance policy. We believe that the level of insurance we maintain would be reasonably adequate to cover the normal risks associated with the operation of all material hazards, which may affect our business, results of operations, and financial condition. For further details, please refer to the Risk factor **“Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.”** under Risk Chapter on page 26 of this Prospectus. Details of Insurance obtained by our company as of the date of this Prospectus are as under:

S.No.	Policy No.	Name of Insurance Policy	Type of Policy	Sum Insured (In Rs.)	Valid Till
1.	3003/320815285/00/000	Goods Carrying Vehicles Package Policy (Pick-up Van)	Vehicle Insurance	4,80,000/-	January 08, 2025
2.	2150/00119005/000/00	Enterprise Package Policy (Manufacturing Policy)	Factory Insurance	1,00,50,000/-	May 06, 2024
3.	63008743090000	Commercial Vehicle Package Policy (Goods carrying Vehicle)	Vehicle Insurance	9,28,134/-	Section-I: Own Damage till 11/09/2024 Section-II: Liability till 11/09/2024
4.	3001/MM-18199659/00/000	Private Car Policy	Vehicle Insurance	21,00,170/-	Period of Own Damage Cover: Till May 29, 2024 Period of Liability Cover: Till May 29, 2026

INTELLECTUAL PROPERTIES

The details of trademarks/copyrights registered and used by our Company are: -

S.No.	Trademark/Copyright	Class	Nature of Trademark/Copyright	Owner	Application Number and Date	Status
1.	Trademark	30		Gaytri Thakur	3019347 29/07/2015	Registered
2.	Trademark	30		Gaytri Thakur	6151523 16/10/2023	Marked for Exam
3.	Trademark	30		Gaytri Thakur	6151521 16/10/2023	Marked for Exam
4.	Trademark	30		Gaytri Thakur	6151522 16/10/2023	Marked for Exam

IMMOVABLE PROPERTIES

S.No.	Details of the Property	Actual Use	Owned/Leased	Details of Lessor/Licensor/Seller
1.	D-498, 1 st Floor, Palam Extention Ramphal Chowk Dwarka Sector 7 New Delhi 110075	Registered Office	Leased	Agreement is made at New Delhi on Wednesday, November 01, 2023, between Mr. Amit Sharma, S/O. Mr Satya Dev Sharma, R/O. House No-817, Chrag Delhi, Delhi-110017 And M/S Hoac Foods India Limited. Date- 1 st November, 2023
2.	Dwarka: D1 Palam Kunj, Ramphal Chowk, Palam	Company Outlet	Leased	Agreement is made at New Delhi on Sunday, January 28, 2023, Between Mr Rajendra Singh Solanki, S/O Late Shri

	Extension Sector-7, Dwarka, New Delhi-110075			Banwar Lal, R/O Wz 306-A Palam Village New Delhi And Hoac Foods India Limited Date- 28 th January, 2024
3.	Dwarka: D-426A, Palam Extension, Ramphal Chowk, Sector-7, Dwarka, New Delhi-110075	Company Outlet	Leased	Agreement is made at New Delhi on 27 th January 2024, between Mrs. Sonia Sehrawat, W/O. Mr Krishan Kumar Sehrawat, R/O RZR-1, Street No-4. Mahavir Enclave Palam, New Delhi-110045 And M/S: Hoac Foods India Limited Date- 27 th January, 2024
4.	Dwarka: D-426A, Palam Extension, Ramphal Chowk, Sector-7, Dwarka, New Delhi-110075	Company Outlet	Leased	Agreement Is Made At New Delhi on 27th January 2024, Between Mr Akash Sehrawat, S/O. Mr K.K. Sehrawat, R/O. D-426a, Ground Floor, Palam Extension, Sector-7, Dwarka, New Delhi-110075, And M/S: Hoac Foods India Limited. Date- 27 th January, 2024
5.	Dwarka: G-4, Vardhman Prasad Plaza, K.M. Chowk, Sector-12, Dwarka, New Delhi-110075	Company Outlet	Leased	Agreement is made at New Delhi on 27th January 2024, Between Mr Prem Singh, S/O. Late Shri Rattan Singh, R/O. RZ-F-377, Raj Nagar-Ii, Palam Colony, Ambedkar Marg, Raj Nagar-Ii, Palam Colony, New Delhi-110077 And M/S: Hoac Foods India Limited. Date- 27 th January, 2024
6.	Gurugram: Booth No. 132, Ground Floor, Sector-15 Part-2, Huda Market, Gurugram, Haryana-122001	Company Outlet	Leased	Agreement is made On 13 th December, 2023 Between Mrs. Saroj Rana W/O. Sh. Joginder Singh Rana R/O. H.No. 11416, Sector 1, Rohtak Hr 124001 And M/S: Hoac Foods India Limited. Date- 13 th December, 2023
7.	Gurugram: Shop No.40, Valley View Estate, Gwal Pahadi, Gurugram - 122003	Company Outlet	Leased	Agreement is made On 13 th December, 2023 Between Ms. Nitant D/O. Dharam Vir Singh R/O. Flat No. 605, Tower 5, Valley View Estate, Gwalpahari, Gurugram Hr 122003 And M/S Hoac Foods India Limited Date- 13 th December, 2023
8.	Village Bhondsi Near Geeta Nand Ashram Sohana Gurugram-122012	Factory	Leased	Agreement Is Made On 13 th December, 2023 Between Mr. Avdesh Kumar S/O. Yagpal Singh R/O. Village Bhondsi, Tehsil Sohna, Distt. Gurugram Hr 122102 And M/S Hoac Foods India Limited Date- 13 th December, 2023

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KEY INDUSTRIAL REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. 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 regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “Government and Other Approvals” on page 173 of this Draft Prospectus.

A. Industry Related Laws

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

The FSS Act consolidates laws relating to food and establishes the Food Safety and Standards Authority of India (“FSSAI”), lays down science-based standards for food articles and regulates their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. The standards prescribed by the FSSAI also include specifications for food activities, flavourings, processing aids and material in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. The FSS Act also sets out, among other things, the requirements for licensing and registration of food businesses, general principles of food safety and responsibilities of a food business operator and liability of manufacturers and sellers. The FSS Act also lays out procedure for adjudication by the Food Safety Appellate Tribunal. Further, the Food Safety and Standards Rules, 2011 (“FSS Rules”) lay down detailed standards for various food products, which include, among others, specifications for ingredients, limit of quantities of contaminants, tolerance limits of pesticide drugs residue, biological hazards and labels. For enforcement under the FSS Act, the ‘commissioner of food safety’, ‘food safety officer’, and ‘food analyst’ have been granted detailed powers of seizure, sampling, taking extracts, and analysis under the FSS Rules. The FSSAI has also framed, among others, the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011;
- Food Safety and Standards (Approval for Non-Specified Food and Food Ingredients) Regulations, 2017;
- Food Safety and Standards (Organic Food) Regulation, 2017;
- Food Safety and Standards (Alcoholic Beverages) Regulations, 2018;
- Food Safety and Standards (Packaging) Regulations, 2018;
- Food Safety and Standards (Labelling and Display) Regulations, 2020; and
- Food Safety and Standards (Vegan Foods) Regulations, 2022.

Agricultural and Processed Food Products Export Development Authority Act, 1985 (“APEDA Act”)

The APEDA Act established the Agricultural and Processed Food Products Export Development Authority for the development and promotion of export of agricultural or processed food products as specified in the first schedule of the APEDA Act. Persons exporting such products are required to be registered under the APEDA Act and also required to adhere the specified standards and specifications and to improve their packaging. The APEDA Act provides for imprisonment and monetary penalties for breach of its provisions. Further, the Agricultural and Processed Food Products Export Development Authority Rules, 1986 have been framed for effective implementation of the APEDA Act and provides for the application, grant and cancellation of registration to be obtained by persons exporting products as specified in the schedule.

The Agricultural Produce (Grading and Marking) Act, 1937; General Grading and Marking Rules, 1988 and Blended Edible Vegetable Oils Grading and Marking Rules, 1991 ("Grading and Marking Laws")

The provisions of the Act deal mainly with the prescription and protection of merchandise marks. The Grading and Marking Laws provide for the grading and marking of agricultural and other allied commodities with the objectives of making available quality agricultural produce including horticulture and livestock produce to the consumers. The Central Government has implemented rules fixing grade designation to indicate the quality of any scheduled article, denning the quality indicated by every grade designation; specifying grade designation mark to represent particular grade designation; authorising interested parties to grade; specifying conditions regarding manner of marking, packaging etc. and providing for the confiscation and disposal of produce marked otherwise than in accordance with the prescribed conditions with a grade designation mark.

The Factories Act of 1948 ("Factories Act")

The Factories Act was enacted to protect the welfare of workers in a factory by regulating employment conditions, working conditions, the working environment, and other welfare requirements of specific industries. The Factories Act lays out guidelines and safety measures for using machinery, and with its strict compliance, it also provides owners with instructions. When factory workers were taken advantage of and exploited by paying them low wages, the Factories Act was passed.

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

The Legal Metrology Act came into effect on April 1, 2011 and has replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act was enacted with the objectives 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 no person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a licence issued by the controller. The Legal Metrology Act contains provisions for verification of prescribed weight or measure by Government approved test centre. Qualifications are prescribed for legal metrology officers appointed by the Central Government or State Government. It also provides for exemption regulations of weight or measure norms for goods manufactured exclusively for export. Fee is levied under the Legal Metrology Act for various services. A director may be nominated by a company who is responsible for complying with the provisions of the enactment. There is penalty for offences and provision for compounding of offences under the Legal Metrology Act. Further, it provides for appeal against the decision of various authorities and empowers the Central Government to make rules for enforcing the provisions of the enactment.

The Legal Metrology (Packaged Commodities) Rules, 2011, with amendments up to June 2017 ("Legal Metrology Rules")

The Legal Metrology Rules are ancillary to the Legal Metrology Act and set out to define various manufacturing and packing terminology. It lays out specific prohibitions where manufacturing, packing, selling, importing, distributing, delivering, offering for sale would be illegal and requires that any form of advertisement where the retail sale price is given must contain a net quantity declaration. Circumstances which are punishable are also laid out.

Consumer Protection Act, 2019 (the "Consumer Protection Act") and rules made thereunder

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" under the Consumer Protection Act includes persons engaged in offline or

online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

Bureau of Indian Standards Act, 2016 (the "BIS Act")

The Bureau of Indian Standards Act, 2016 provides for the establishment of bureau for the standardisation, marking and quality certification of goods. Functions of the bureau include, inter alia, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license. A person may apply to the bureau for grant of license or certificate of conformity, if the articles, goods, process, system or service conforms to an Indian Standard.

The Essential Commodities Act, 1955 ("ECA")

The ECA gives powers to the Central Government, to control production, supply and distribution of trade and commerce in certain essential commodities for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Using the powers under it, various ministries/ departments of the Central Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The State Governments have also issued various control orders to regulate various aspects of trading in essential commodities such as food grains, edible oils, sugar and drugs. Penalties in terms of fine and imprisonment are prescribed under the ECA for contravention of its provisions.

National Mission on Edible Oil-Oil Palm

Ministry of Agriculture & Farmers Welfare vide Press Information Bureau press release dated August 18, 2021 ("**Press Release**"), introduced the National Mission on Edible Oil-Oil Palm as a new centrally sponsored scheme which will benefit the oil palm farmers, increase capital investment, create employment generation, shall reduce the import dependence and also increase the income of the farmers. As per the Press Release there are two major focus areas of the scheme. The oil palm farmers produce FFBs from which oil is extracted by the industry. Presently the prices of these FFBs are linked to the international CPO prices fluctuations. For the first time, the Government of India will give a price assurance to the oil palm farmers for the FFBs. This will be known as the Viability Price ("**VP**"). This will protect the farmers from the fluctuations of the international CPO prices and protect them from the volatility. This VP shall be the annual average CPO price of the last 5 years adjusted with the wholesale price index to be multiplied by 14.3 %. This will be fixed yearly for the oil palm year from 1st November to 31st October. This assurance will inculcate confidence in the Indian oil palm farmers to go for increased area and thereby more production of palm oil. A Formula price ("**FP**") will also be fixed which will be 14.3% of CPO and will be fixed on a monthly basis. The viability gap funding will be the VP-FP and if the need arises, it would be paid directly to the farmers accounts in the form of DBT.

Indian Boilers Act, 1923 ("Boilers Act") and Indian Boiler Regulations, 1950 ("Boilers Regulations")

The Boilers Act intends to regulate, inter alia, the manufacture, possession and use of steam boilers. Under the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use, by the Inspector so appointed by the relevant State Government. In the event of the use of boilers in non-compliance with the Boilers Act, a fine may be imposed on the owner of such boiler and in certain cases, imprisonment as well. The Boilers Regulations provide for, inter alia, requirements with respect to material, construction, safety and testing of boilers

B. Laws Relating to Employment

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following: (i) Contract Labour (Regulation and Abolition) Act, 1970; (ii) Relevant state specific shops and commercial establishment legislations; (iii) Employees' Provident Funds and Miscellaneous Provisions Act, 1952; (iv) Employees' State Insurance Act, 1948; (v) Minimum Wages Act, 1948; (vi) Payment of Bonus Act, 1965; (vii) Payment of Gratuity Act, 1972; (viii) Payment of Wages Act, 1936; (ix) Maternity Benefit Act, 1961; (x) Apprenticeship Act, 1961; (xi) Equal Remuneration Act, 1976; (xii) Employees' Compensation Act, 1923; and (xiii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government:

Code on Wages, 2019

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employee. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

Code on Social Security, 2020

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Worker's Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

C. Environmental Laws

The Environment (Protection) Act, 1986 (the "EPA")

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

The Environmental Impact Assessment Notification, 2006 (the "Notification")

As per the Notification, any construction of new projects or activities or the expansion or modernisation of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and or

technology can be undertaken only after the prior environmental clearance from the Central government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme 'Housing for All by 2022' and is proposing to remove the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant bye-laws of the concerned State authorities.

The Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent. Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act") The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

Municipal Solid Wastes (Management and Handling) Rules, 2000 ("Waste Management Rules, 2000") as superseded by Solid Waste Management Rules, 2016 ("Waste Management Rules, 2016")

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 made the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

D. Intellectual Property Laws

The Patents Act, 1970

The Patents Act, 1970 governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights ("TRIPS"); Under the Indian Patents Act, 1970 (the "Patent Act") term invention means a new product or process involving an inventive step capable of industrial application. A patent under the Patent Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. The Patents Act, 1970 provides for the following:

- Recognition of product patents in respect of food, medicine and drugs;
- Patent protection period of 20 years;
- Patent protections allowed on imported products; and

- Under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer.

The Patents (Amendment) Act, 2005 has made certain changes to the Patents Act, 1970 ("Patents Act"). The definition of inventive step in the Patents Act has been amended to exclude incremental improvements or ever greening of patents. Now, (a) an inventive step must involve a technical advance as compared to the existing knowledge or must have economic significance or both, and (b) the invention must be non-obvious to a person skilled in the art. Section 3(d) of the Patents Act has been amended to exclude the following from the definition of patents:

- the mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance, or
- The mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant.

The Copyright Act, 1957 ("Copyright Act")

The Copyright Act governs copyrights subsisting in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programmes, tables and compilations including computer databases. Software, both in source and object code, constitutes a literary work under Indian law and is afforded copyright protection and the owner of such software becomes entitled to protect his works against unauthorised use and misappropriation of the copyrighted work or a substantial part thereof. Any act of this nature entitles the copyright owner to obtain relief from a court of law including injunction, damages and accounts of profits. Further, copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work and once registered, copyright protection remains valid until expiry of sixty years from the demise of the author. Reproduction of a copyrighted software for sale or hire or commercial rental, offer for sale or commercial rental, issuing copy(is) of the computer programme or making an adaptation of the work without consent of the copyright owner amount to infringement of the copyright. However, the Copyright Act prescribes certain fair use exceptions which permit certain acts, which would otherwise be considered copyright infringement.

The Trademarks Act, 1999 ("Trademarks Act")

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trademark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewals.

E. Foreign Investment Regulations

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("FEMA Rules") and the consolidated FDI policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion ("FDI Policy")), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on October 17, 2019 which regulates mode of payment and remittance of sale proceeds,

among others. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e. direct foreign investment and indirect foreign investment) in an Indian company.

Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), the Foreign Trade (Regulation) Rules, 1993 ("FTRR") and the Foreign Trade Policy 2015-2020 ("Foreign Trade Policy")

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer-exporter Code Number ("IEC") granted by the director general or any other authorised person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions. The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license. The FTDRA empowers the Central Government to, from time to time, formulate and announce the foreign trade policy. The Foreign Trade Policy came into effect in 2017 and requires all importers and exporters to obtain an IEC. Further, pursuant to the policy, the Director General of Foreign Trade may impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal or plant life or health, and the conservation of national resources. The Foreign Trade Policy also prescribes restrictions on imports or exports in relation to specific countries, organisations, groups, individuals or products. The Foreign Trade Policy also provides for various schemes, including the export promotions capital goods scheme and duty exemption/remission schemes. India's current Foreign Trade Policy (2015-20) (as extended until September 30, 2022 and thereafter, extended till March 31, 2023) envisages helping exporters leverage benefits of GST, closely monitoring export performances, increasing ease of trading across borders, increasing realization from India's agriculture-based exports and promoting exports from MSMEs and labour-intensive sectors.

Foreign Exchange Management Act, 1999 ("the FEMA") and Rules and Regulations thereunder

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999, read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 ("Export of Goods and Services Regulations 2015") issued by the RBI on January 12, 2016 (last amended on June 23, 2017). The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

F. Other Applicable Laws

The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME"). 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 Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

Municipality Laws

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and 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.

Fire Prevention Laws

State governments have enacted laws that provide for fire prevention and life safety. Such laws may be applicable to our offices and Training Centres and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to compliance with fire prevention and life safety measures and impose penalties for non-compliance.

Taxation Laws

The tax related laws that are applicable to our Company include the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017 and the relevant state legislations for goods and services tax.

Professional Tax

Professional tax is a state level tax which is imposed on income earned by way of profession, trade, calling or employment. At present, professional tax is imposed only in Karnataka, Bihar, West Bengal, Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu, Gujarat, Assam, Kerala, Meghalaya, Odisha, Tripura, Madhya Pradesh, and Sikkim.

Competition Act, 2002

The Competition Act, 2002 came into effect on June 1, 2011, and has been enacted to “prohibit anti- competitive agreements, abuse of dominant positions by enterprises” and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

The Insolvency and Bankruptcy Code, 2016 (the “Code”)

The Insolvency and Bankruptcy Code, 2016 cover Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the Said CIRP, a resolution to be sought for the company within a time bound time period of 180 days.

Other Laws

In addition to the above, our Company is required to comply with the provisions of the Prevention of Corruption Act, 1988, Rent Control Act, Information technology act and other applicable laws and regulations imposed by the Central and State Governments and other authorities for its day-to-day operations.

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HISTORY AND CORPORATE STRUCTURE

Brief history of our Company

Our Company was originally incorporated with the name as “**Hoac MP Atta Spices Manufacture Private Limited**” a private limited company on **March 13, 2018** under the Companies Act, 2013, at its registered office situated at D-498, 1st Floor Palam Extension Sector-7 Dwarka, Raj Nagar - II, South West Delhi, New Delhi, Delhi, India, 110077 with Registrar of Companies, Delhi bearing registration number **330739**. Subsequently, the company name was changed to ‘**Hoac Foods India Private Limited**’ dated **November 03, 2021**. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed by our Shareholders at an Extraordinary general meeting held on **October 13, 2023** and consequently the name of our Company was changed to ‘**Hoac Foods India Limited**’ and a fresh certificate of incorporation dated **October 30, 2023** was issued by the Registrar of Companies, Delhi at New Delhi. The corporate identification number of our Company is **U15120DL2018PLC330739**.

Change in the Registered Office of our Company

The registered office of our Company has been changed to D-498, 1st Floor Palam Extension Sector-7 Dwarka, Raj Nagar - II, South West Delhi, New Delhi, Delhi, India, 110077 from RZF-1150, Flat No-UG-01, Ground Floor, Gali no1, Raj Nagar, Part 2, Palam colony, New Delhi Delhi, South West Delhi, Delhi, India, 110077, vide Board Resolution November 01, 2023.

Main objects of our Company

The objects to be pursued by the company on its incorporation are:

1. To carry on business of manufacturing, trading, wholesaling, retailing and any other processing of Cooking powder, Organic flour, cooking spices, Rice, wheat, wheat’s flour.
2. To set up mills for milling wheat, gram, spices, other grains and cereals, dal, besan, maida, atta, sooji and other allied products.
3. To carry on the business of producing, extracting, refining, storing, exporting, importing, transporting and dealing in flours of all kinds and description whatsoever.
4. To purchase, sell, store or otherwise deal in wheat, paddy and other grains, cereals, cotton, kapas, rice, seeds of all kinds and other raw materials necessary for an incidental to or conducive to the above objects or any of them.
5. To establish and run flour mills for converting wheat into wheat products like maida, sooji, atta and bran in all its branches and all purifying, refining processes and marketing the same either as finished products or any other semi-finished states.
6. To Marketing & advertising and franchisee business.

Amendments to our Memorandum of Association

Set out below are the amendments that have been made to our Memorandum of Association, in the last ten year preceding the date of this Draft Prospectus:

Date of change/ shareholders’ resolution	Nature of amendment
December 05, 2019	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 1,00,000 (Rupees One Lakh) divided into 10,000 (Ten Thousand) Equity shares of ₹10 (Rupees Ten Only) each to ₹ 10,00,000/- (Rupees Ten Lakh) divided into 1,00,000 (One Lakh) Equity shares of ₹10 (Rupees Ten Only) each.
October 25, 2021	Clause I of our Memorandum of Association was amended to reflect the change in our name from ‘Hoac MP Atta Spices Manufacture Private Limited’ To ‘ Hoac Foods India Private Limited ’.
November 10, 2021	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 10,00,000 (Rupees Ten Lakh) divided into 1,00,000 (One Lakh) Equity shares of ₹10 (Rupees Ten Only) each to ₹ 5,00,00,000/- (Rupees Five Crore) divided into 50,00,000 (Fifty Lakh) Equity shares of ₹10 (Rupees Ten Only) each.
September 18, 2023	Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 5,00,00,000 (Rupees Five crore) divided into

Date of change/ shareholders' resolution	Nature of amendment
	50,00,000 (Fifty Lakh) Equity shares of ₹10 (Rupees Ten Only) each to ₹ 4,00,00,000/- (Rupees Four Crore) divided into 40,00,000 (Fourty Lakh) Equity shares of ₹10 (Rupees Ten Only) each.
October 13, 2023	Clause I of our Memorandum of Association was amended to reflect the change in our name from ' Hoac Foods India Private Limited ' to ' Hoac Foods India Limited ' pursuant to conversion of our Company from a private limited company to a public limited company.

Corporate profile of our Company

For details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, capacity/facility creation, capacity built-up, location of manufacturing facilities, marketing and competition, please refer to the chapters titled "***Our Business***", "***Our Management***" and ***Management's Discussion and Analysis of Financial Position and Results of Operations***" on pages 93, 133 and 155 respectively, of this Draft Prospectus.

Major events and milestones

The below table sets forth some of the major events in the history of our Company:

Calendar Year	Details
2018-19	Our Company incorporated and started its business of manufacturing, trading and processing of Cooking powder, Organic flour, cooking spices, Rice, wheat, wheat's flour and set up mills.
2020-21	Our company has opened new office in Delhi.
2021-22	Our Company has opened new factory in Haryana.
2023-24	Our company has opened 1(One) new franchises outlet in Faridabad, Haryana.

Awards and Accreditations

No awards and accreditations received by our Company:

Changes in activities of our Company during the last five (5) Years

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Draft Prospectus.

Our Holding Company

As on the date of this Draft Prospectus, our Company does not have a holding company.

Our Subsidiary, Associate or Joint ventures of our Company

As on the date of this Draft Prospectus, our Company doesn't have any Subsidiary, Associate or Joint ventures.

Significant financial or strategic partnerships

Our Company does not have any significant financial and strategic partners as on the date of this Draft Prospectus.

Time and cost overrun

We have not experienced any time or cost overrun in setting up our projects as on the date of this Draft Prospectus.

Capacity/facility creation, location of plants

For details regarding capacity/facility creation and location of plants of our Company, *please refer chapter titled “Our Business” beginning on page 93*

Defaults or rescheduling/restructuring of borrowings with financial institutions/ banks

There are no defaults or rescheduling/restructuring of borrowings availed by our Company from financial institutions or banks or conversion of loans into equity in relation to our Company.

Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten (10) years

Our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets since incorporation.

Revaluation of assets

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves since incorporation.

Changes in the Management

For details of change in Management, please see chapter titled “Our Management” on page 133 of the Draft Prospectus.

Injunction or Restraining Order

There is injunctions/restraining orders that have been passed against the Company.

Shareholder and Other Material Agreements

Our Company has not entered into any other subsisting shareholder’s material agreements other than in the ordinary course of business of our Company, as on the date of this Draft Prospectus.

Agreements with our Key Managerial Personnel, Director, Promoter or any other employee

As on the date of this Draft Prospectus there are no agreements entered into by our Key Managerial Personnel or Directors or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Other Agreements:

i. Non-Compete Agreement:

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

ii. Joint Venture Agreement:

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Prospectus.

Collaboration Agreements:

As on date of this Draft Prospectus, Our Company is not a party to any collaboration agreements.

Details of guarantees given to third parties by the Promoter

Other than the guarantees provided by our Promoter in relation to certain of our loans as and when required, our Promoter have not given any material guarantees to any third parties as on the date of this Draft Prospectus.

Material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets etc., in the last ten years

There have been no material acquisitions or divestments of business/undertakings, mergers, amalgamation, and any revaluation of assets in the last ten years from the date of the Draft Prospectus.

Material Agreements

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

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OUR MANAGEMENT

In terms of Companies Act and the Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of filing this Draft Prospectus, our Board comprises of 5 (Five) Directors, comprising, Two Executive Directors, and Three Non-Executive Directors, both are Independent Director.

Board of Directors

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

Name, designation, Date of Birth, Address, Occupation, Current term, Period of Directorship and DIN	Age (in years)	Nationality	Other Directorships
RAMBABU THAKUR Designation: Managing Director Date of birth: 15/07/1980 Address: RZF-1150, Flat No. UG-01, Lohia Marg Gali No. 1, Raj Nagar Part-2, Bagdola South West Delhi India 110077 Occupation: Business Current term: For a period of 5 Years till November 01, 2028 Period of Directorship: Since Incorporation DIN: 08084215	43	Indian	NIL
GAYTRI THAKUR Designation: Director Date of birth: 30/01/1983 Address: RZF-1150, Flat No. UG-01, Lohia Marg Gali No. 1, Raj Nagar Part-2, Palam Colony, Bagdola South West Delhi India 110077 Occupation: Business Current term: Retire by Rotation Period of Directorship: Since Incorporation DIN: 08084214	41	Indian	NIL
YASHWANT THAKUR Designation: Chairman and Non-Executive Director Date of birth: 29/01/2001 Address: D-498, Palam Extension, Ramphal Chowk, Dwarka, Sector 7 New Delhi Delhi India 110075 Occupation: Business Current term: For a period of 5 Years till November 01, 2028 Period of Directorship: 12/10/2023 DIN: 10351322	23	Indian	NIL
MUKESH GARG Designation: Non-Executive Independent Director Date of birth: 07/05/1985 Address: RZ-708/223, Gali No. 16E, Sadh Nagar, Palam Colony New Delhi Delhi India 110045 Occupation: Business Current term: For a period of 5 Years till October 11,	38	Indian	NIL

Name, designation, Date of Birth, Address, Occupation, Current term, Period of Directorship and DIN	Age (in years)	Nationality	Other Directorships
2028 Period of Directorship: 12/10/2023 DIN: 10351327			
MAMTA Designation: Non-Executive Independent Director Date of birth: 15/01/1978 Address: RZF-1150 Ug-3 Lohia Marg F Block Raj Nagar Part-2 New Delhi Delhi India 110077 Occupation: Business Current term: For a period of 5 Years till October 31, 2028. Period of Directorship: 01/11/2023 DIN: 10377740	46	Indian	NIL

The Relationship of Spouse in between Mr. Rambabu Thakur and Mrs. Gaytri Thakur and Mr. Yashwant Thakur is their Son, except this none of our Directors are related to each other or to any of the KMPs as per the definition of 'relative' provided under the Companies Act, 2013.

BRIEF BIOGRAPHIES OF DIRECTORS:

Mr. Rambabu Thakur, aged 43 years, is the Founder Promoters and Managing Director of our Company. He has been on the Board of Directors of our Company since incorporation. He has been appointed as the Managing Director of the Company for a period of five (5) years with effect from November 02, 2023, till November 01, 2028. He has completed higher secondary education. He is responsible for the overall management of our Company, all aspects of production, ensuring efficiency and adherence to quality standards and plays pivotal role in consistent growth and profitability. Further, he has an experience of more than 5 years in the business of FMCG industry. He holds 16,73,235 Equity Shares, representing 62.25% of the issued, subscribed and paid-up Equity Share Capital of our Company.

Mrs. Gaytri Thakur, aged 41 years, is one of the Promoter and Executive Director of our Company. She has been on the Board of Directors of our Company since incorporation. She is under matriculate. She is having more than 5 years of experience in this Industry in ensuring the quality and consistency of both raw and finished spices and proven track record in managing spice recipe formulas to meet and exceed industry standards. She holds 10,14,475 Equity Shares, representing 37.73 % of the issued, subscribed and paid-up Equity Share Capital of our Company.

Mr. Yashwant Thakur aged 23 years and Chairman and Non-Executive Director of our Company. He is a pursuing Business Administration in Retailing from Shivaji College, Delhi. He is having 1 year experience in FMCG Industry. In our company he is responsible for providing strategic direction to the Company in the competitive FMCG sector, with unique blend of theoretical knowledge and practical experience, he plays active role in marketing and branding and having visionary leader actively involved in the day-to-day operations of the business. His responsibilities extend to overseeing both owned and franchise retail stores, where his strategic acumen and hands-on approach plays a pivotal role in driving growth. He holds 100 Equity Shares, representing 0.004 % of the issued, subscribed and paid-up Equity Share Capital of our Company.

Mr. Mukesh Garg aged 38 years is the Non-Executive Independent Director of our Company. He is graduated from University of Delhi with a Bachelor of Arts degree in the year 2007. He has more than 10 year experience in the FMCG Industry as Sales Professional.

Mrs. Mamta aged 46 years is the Non-executive Women Independent Director of our Company. He is graduated from Jai Prakash University Chapra with a Bachelor of Arts (Hons.) degree in Psychology in the Year 2002. She has overall 3 years experience in the Marketing. With a keen interest in the dynamics of human behaviour, she transitioned her skills seamlessly into the realm of sales and marketing and been awarded with Certificate of Achievement in 2016 for her outstanding performance as the Sales and Marketing Head.

As on the date of the Draft Prospectus:

- a) None of our Directors have been identified as a willful defaulter, or Fraudulent Borrowers.
- b) Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- c) None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- d) None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filing of this Prospectus.
- e) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- f) None of our Director are/were of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/other regulatory authority in the last five years.
- g) In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

Relationship between our Directors and Key Managerial Personnel

None of the directors are related to each other in terms of the definition of 'relative' under Section 2(77) of the Companies Act, except as set out below:

Name	Designation	Relationship
Mr. Rambabu Thakur	Managing Director	Spouse of Mrs. Gaytri Thakur
Mrs. Gaytri Thakur	Director	Spouse of Mr. Rambabu Thakur
Mr. Yashwant Thakur	Chairman and Non-Executive Director	Son of Mrs. Gaytri Thakur and Mr. Rambabu Thakur

Arrangement or understanding with major shareholders, customers, suppliers or others.

None of our Directors have been nominated, appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

TERMS OF APPOINTMENT OF OUR EXECUTIVE DIRECTORS**1. Rambabu Thakur, Managing Director**

Pursuant to a resolution passed by the Shareholders of our Company at the EGM held on November 02, 2023, Rambabu Thakur was appointed as the Managing Director of our Company for a period of five (05) years with effect from November 02, 2023 till November 01, 2028 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall be in accordance with Sections 197, 198, Schedule V and other relevant provisions

of the Companies Act, 2013 read with the rules prescribed thereunder:

(₹ in Lakhs)

Particulars	Remuneration	Remuneration
	Fiscal 2023	Fiscal 2022
Salary	₹ 5.80 per annum	₹ 5.40 per annum
Perquisites	N.A	N.A
Remuneration paid in FY 2022-2023	₹ 5.80 per annum	₹ 5.40 per annum

With respect to the Managing Director, for the Fiscal Year 2024, Mr. Rambabu Thakur has been designated as Managing Director who is entitled to receive remuneration of Rs. 12,00,000/- pa., further there is no contingent or deferred payment accrued for Fiscal 2022-23.

2. Gaytri Thakur, Director

Gaytri Thakur is being first Director of the Company, she holds the office of directorship of the Company since Incorporation. She is Promoter and Executive Director of the Company. The details of her remuneration are as set out below:

(₹ in Lakhs)

Particulars	Remuneration	Remuneration
	Fiscal 2023	Fiscal 2022
Salary	₹ 6.46/- per annum.	₹ 5.10/- per annum.
Perquisites	N.A	NA
Remuneration paid in FY 2022-2023	₹ 6.46/- per annum.	₹ 5.10/- per annum

With respect to the Managing Director, Mrs. Gaytri Thakur, there is no contingent or deferred payment accrued for Fiscal 2022-23.

Terms of appointment of our Non-Executive Directors and Independent Directors

Pursuant to a resolution of our Board dated November 02, 2023, our Non – Executive Director Directors are entitled to receive sitting fees upto ₹20,000/- for attending every Board meeting and Committee meeting thereof of our Company and Independent Directors are entitled to receive sitting fees upto ₹10,000/- for attending every Board meeting and Committee meeting thereof of our Company.

(₹ in Lakhs)

Sr. No.	Name of the Non – Executive Director and Independent Director	Remuneration
1.	Yashwant Thakur	3.16.00
2.	Mamta	NA
3.	Mukesh Garg	NA

There were no Independent Director in Fiscal 2023. Further for Fiscal 2024 our Board of Directors in their in their meeting held on November 02, 2023 have fixed sitting fees upto ₹10,000/- payable to Non-Executive Independent Directors for attending every Board meeting and Committee meeting thereof of our Company.

Changes in the Board of Directors in the last three years preceding the date of this Draft Prospectus

Name of the Director	Date of Appointment / Re - Appointment	Reasons for change
Mamta	November 01,2023	Appointed as Additional Non-Executive Director on November 01,2023 and Regularized as Independent Director in the EGM held on November 02, 2023
Mukesh Garg	October 12, 2023	Appointed as Additional Non-Executive Director on October 12, 2023 and Regularized as Independent Director in the EGM held on November 02, 2023

Rambabu Thakur	November 02, 2023	Appointed as Managing Director of the Company for a period 05 years w.e.f. November 02, 2023 to November 01, 2028
Yashwant Thakur	November 02, 2023	Appointed as Additional Director (Non-Executive Director) on October 12, 2023 and Designated as Chairman and regularized as Non-Executive Director in the EGM held on November 02, 2023

Service contracts

No officer of our Company, including our Directors and the Key Management Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment

Bonus or profit-sharing plan of our Directors

As on the date of this Draft Prospectus, our Company does not have a bonus or profit-sharing plan for our Directors.

Loan to Directors

The details of loans that have been availed by the Directors from our Company that are outstanding as of the date of this Draft Prospectus. For details refer titled '**Financial Statement – Annexure 26 – Restated Summary of Related Party Transactions**' beginning on page 152 of this Draft Prospectus.

Shareholding of our Directors, Key Managerial Personnel in our Company

Our Articles of Association do not require our directors to hold any qualification shares.

The shareholding of our Directors in our Company, as on the date of this Draft Prospectus is set forth below:

Sr. No.	Name of the Director/ Key Managerial Personnel	Number of Equity Shares held	%
1.	Rambabu Thakur, Managing Director	16,73,235	62.24
2.	Gaytri Thakur, Director	10,14,475	37.74
3.	Yashwant Thakur, Chairman	100	0.004
4.	Mamta	Nil	Nil
5.	Mukesh Garg	Nil	Nil
6.	Manish Sharma, CFO	Nil	Nil
7.	Bhawna Agarwal, CS	Nil	Nil

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

Interests of Directors

All Directors may be deemed to be interested to the extent of reimbursement of expenses payable to them, if any and the remuneration payable to such Directors as decided by the Board from time to time. Our Executive Directors are interested to the extent of remuneration, payable to them for services rendered as an officer or employee of our Company. Our Non-Executive and Independent Directors are interested to the extent of the sitting fees.

Our Directors, may also be regarded as interested in Equity Shares held by them, if any, or that may be subscribed by and allotted to their relatives, or the entities with which they are associated as promoters, directors, partners, proprietors or trustees or to the companies, firms and trust, in which they are interested as directors, promoters, members, partners and trustees, pursuant to the Issue and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. Our Independent Directors are not holding any Equity Shares in our Company.

There is no material existing or anticipated transaction whereby Directors will receive any proceeds from the Net Issue.

Interest in promotion of our Company

Mr. Rambabu Thakur, Mrs. Gaytri Thakur and Mr. Yashwant Thakur are the Promoters of our Company and are interested in our Company to the extent that of promotion our Company, and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. **For further details, see “Our Promoter and Promoter Group” on page 146 of this Draft Prospectus.**

For details of Equity Shares held by our Promoters, please refer to paragraph titled ‘Notes to Capital Structure’ under the section titled ‘Capital Structure’ beginning on page 59 of this Draft Prospectus.

Further, except as stated in this section titled ‘Our Management’ and the section titled ‘Financial Statement – Annexure 26 – Restated Summary of Related Party Transactions’ beginning on page 133 and 152 of this Draft Prospectus respectively and to the extent to remuneration received/ to be received by our Directors, none of our Directors any interest in the promotion of our Company.

Interest in property, land, construction of building, supply of machinery

Our Promoters do not have any interest in any property acquired by our Company within three years preceding the date of filing this Draft Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements except as stated in ‘Restated Financial Statements’ on page 152 of this Draft Prospectus.

Interest as Guarantor

None of our director hold any interest as Guarantor in the Company.

Shareholding of our Directors in our Subsidiaries and associate companies

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

Borrowing Powers

In accordance with our Articles of Association and subject to the provisions of the Companies Act, 2013, and pursuant to a resolution of the Shareholders of our Company passed in their extraordinary general meeting held on November 02, 2023, in accordance with Section 180 of the Companies Act, 2013, our Board is authorised to borrow such sums of money from time to time, with or without security, on such terms and conditions as it may consider fit notwithstanding that the amount to be borrowed together with the amount already borrowed by our Company (apart from temporary loans obtained from our Company’s bankers in the ordinary course of business) exceeds the aggregate of the paid up capital and free reserves of our Company provided that the total amount borrowed by our Board and outstanding at any point of time shall not exceed ₹ 50 Crores.

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, to the extent applicable with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the constitution of our Board and committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

COMMITTEES OF OUR BOARD

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

- a) Audit Committee;
- b) Stakeholders' Relationship Committee; and
- c) Nomination and Remuneration Committee

a) AUDIT COMMITTEE

The Audit Committee was constituted by a meeting of our Board held on November 02, 2023. The members of the Audit Committee are:

Name of Member	Nature of Directorship	Designation in the Committee
Mr. Mukesh Garg	Independent Director	Chairman
Mr. Yashwant Thakur	Non-Executive Director	Member
Ms. Mamta	Independent Director	Member

The Audit Committee is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

I. Powers of Audit Committee

The Audit Committee shall have the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary

II. Role of the Audit Committee

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
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, with particular reference to:
 - a) 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;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. Approval of any subsequent modification of transactions of the company with related parties;
Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the whistle blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
21. Reviewing the utilization of loans and/or advances from/investments by the holding company in the subsidiary exceeding rupees hundred crores or 100% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments, as may be applicable.
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the SEBI Listing Regulations.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings and the quorum for each meeting of the Audit Committee shall be two members or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a meeting of our Board held on November 02, 2023. The members of the Nomination and Remuneration Committee are:

Name of Director	Nature of Directorship	Designation in the Committee
Mr. Mukesh Garg	Independent Director	Chairman
Mr. Yashwant Thakur	Non-Executive Director	Member
Ms. Mamta	Independent Director	Member

The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of an external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management;
8. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
 - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003:
9. evaluating the performance of the independent directors and on the basis of their performance evaluation recommending the Board of Directors and the members of the Company to extend or continue the term of appointment of the independent director; and performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in presence.

c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a meeting of our Board held on November 02, 2023. The members of the Stakeholders' Relationship Committee are:

Name of Director	Nature of Directorship	Designation in the Committee
Mr. Mukesh Garg	Independent Director	Chairman
Mr. Yashwant Thakur	Non-Executive Director	Member
Mrs. Gaytri Thakur	Independent Director	Member

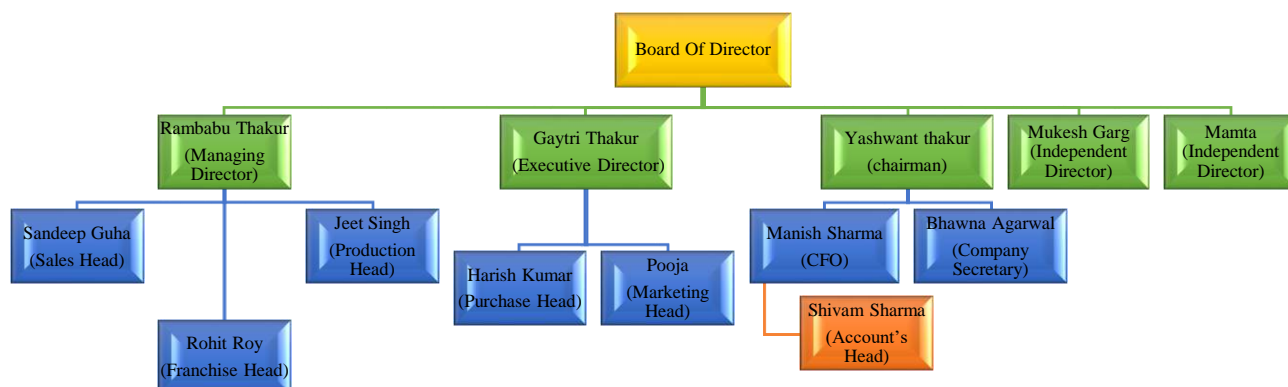
The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipts of annual reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights of by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipts of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and
5. Carrying out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time. As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the security holders. The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

Management organisation chart

The following chart depicts our Management Organization Structure:



Key Management Personnel

In addition to **Mr. Rambabu Thakur**, Managing Director and **Mrs. Gayrti Thakur**, Director, whose details have been provided under paragraph above titled '*Brief Biography of directors*', on page no. 133 set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Prospectus.

Mr. Manish Sharma, aged 24 years, is the Chief Financial Officer of our Company wrt. November 01, 2023. He holds Bachelor of Commerce from Himachal Pradesh University in the year 2022 and also holds a diploma in Digital Multilingual Computer Applications (DMCA) in the year 2018. He has experience of more than 1.5 year as Finance Executive in his previous employment at CA Harish D Singh & Company, Chartered Accountants. In our Company, he plays a vital part in conducting comprehensive financial analyses, ensuring the accuracy and compliance of financial data with industry standards and accounting principles. He plays vital role in preparation of financial statements and reports, managing complex financial transactions, and providing strategic financial advice to the Company.

Mr. Bhawna Agarwal, aged 33 years, is the Company Secretary and Compliance Officer of our Company wrt. January 15, 2024. She is qualified Company Secretary from Institute of Company Secretaries of India and holds degree of Bachelor of Commerce and LLB from Dr. Bhimrao Ambedkar University, Agra in the year 2010 and 2013 respectively. In our Company, she is responsible for the overall secretarial and statutory compliance of the Company. She has experience of more than 5 years in the field of Secretarial Compliances.

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.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the financial year ended March 31, 2023.
- 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.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Prospectus except as under:-

Sr. No.	Name of the KMPs	No. of shares held
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1	Rambabu Thakur	16,73,235
2	Gaytri Thakur	10,14,475

Relationship among Key Management Personnel and Directors

The Relationship of Spouse in between Mr. Rambabu Thakur and Mrs. Gaytri Thakur and Mr. Yashwant Thakur is their Son, except this none of our Directors are related to each other or to any of the KMPs as per the definition of 'relative' provided under the Companies Act, 2013.

Arrangements and understanding with major shareholders, customers and suppliers

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Management Personnel

Except as disclosed in “-Shareholding of our Directors and Key Managerial Personnel in our Company” on page 59 , none of our other Key Management Personnel hold any Equity Shares in our Company.

Retirement and termination benefits

Our Key Managerial Personnel have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

Contingent and deferred compensation payable to Key Managerial Personnel

As on the date of this Draft Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2023, which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel

Our Company has no bonus or profit-sharing plan in which the Key Managerial Personnel participate.

Interest of our Key Management Personnel

The Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

The Key Management Personnel may also be deemed to be interested in the Equity Shares, if any, held by them, and dividend payable to them and other distributions in respect of Equity Shares held by them, if any.

Further, our Key Management Personnel may be deemed to be interested to the extent as disclosed in “-Interest of Directors” on page 59.

Changes in the Key Management Personnel in last three years

Except as mentioned below, and as specified in “Our Management - Changes to our Board in the last three years” on page 133, there have been no changes in the Key Managerial Personnel in the last three years:

Name	Designation	Date of change	Nature of change
Manish Sharma	Chief Financial Officer	November 01, 2023	Appointment
Patterson Thomas	Company Secretary & Compliance Officer	October 25, 2023	Appointment
Patterson Thomas	Company Secretary & Compliance Officer	January 13, 2024	Resignation
Bhawna Agarwal	Company Secretary &	January 15, 2024	Appointment

Name	Designation	Date of change	Nature of change
	Compliance Officer		
Rambabu Thakur	Managing Director	November 02, 2023	Change in designation

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

Payment or benefits to the Key Management Personnel (non-salary related)

No non-salary amount or benefit has been paid or given or is intended to be paid or given to any of our Company's officers and Key Management Personnel within the two preceding years from the date of filing of this Draft Prospectus, other than in the ordinary course of their employment.

Employees Stock Options

As on date of this Draft Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.


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OUR PROMOTERS AND PROMOTER GROUP

As on the date of this Draft Prospectus, our Promoters holds 26,87,810 Equity Shares, constituting 99.98 % of our pre – Issue issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoters’ shareholding in our Company, see ‘*Capital Structure – History of the Equity Share capital held by our Promoters – Build-up of our Promoters’ equity shareholding in our Company*’ on page 59 of this Draft Prospectus.

Details of our Promoters

	<p>RAMBABU THAKUR</p> <p>Rambabu Thakur, aged 43 years, is the Promoter and Managing Director of our Company.</p> <p>For complete profile of Mr. Rambabu Thakur,, along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see section titled ‘Our Management –Brief biographies of Directors’ on page 133 of this Draft Prospectus</p> <p>Date of birth: July 15, 1980</p> <p>Permanent account number: AVGPT7300P</p> <p>Address: RZF-1150, Flat No. UG-01, Lohia Marg Gali No. 1, Raj Nagar Part-2, Palam Colony11, Bagdola South West Delhi India 110077</p>
	<p>GAYTRI THAKUR</p> <p>Gaytri Thakur, aged 41 years, is the Promoter of our Company.</p> <p>For complete profile of Mrs. Gaytri Thakur, along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see section titled ‘Our Management –Brief biographies of Directors’ on page133 of this Draft Prospectus</p> <p>Date of birth: 30/01/1983</p> <p>Permanent account number:APQPT7225R</p> <p>Address: RZF-1150, Flat No. UG-01, Lohia Marg Gali No. 1, Raj Nagar Part-2, Palam Colony11, Bagdola South West Delhi India 110077</p>

	<p>YASHWANT THAKUR</p> <p>Yashwant Thakur, aged 23 years, is the Promoter and Chairman of our Company.</p> <p>For complete profile of Mr. Yashwant Thakur, along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see section titled ‘Our Management –Brief biographies of Directors’ on page 133 of this Draft Prospectus</p> <p>Date of birth: 29/01/2001</p> <p>Permanent account number: BSIPT1815M</p> <p>Address: D-498, Palam Extension Ramphal Chowk, Dwarka, Sector 7, South West Delhi- Delhi 110075</p>
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Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, Bank Account Number(s), Aadhar Card Number, Driving License Number and Passport Number of the Promoters will be submitted at the time of submission of this Draft Prospectus with National Stock Exchange of India Limited for listing of the securities of our Company on EMERGE Platform of National Stock Exchange of India Limited.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters by RBI or as fugitive economic offenders under Section 12 of Fugitive Economic Offenders Act, 2018 or any other governmental authority.

No violations of securities laws have been committed by our Promoter or members of our Promoter Group or any Group Companies in the past or are currently pending against them.

None of (i) Our Promoters and members of our Promoter Group or persons (ii) the Companies with which our Promoter is or was associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Our Promoters or Promoter Group entities have not been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoter Group are not and have never been promoter, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoter.

Change in Control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus. For further details of acquisition of Equity Shares by our Promoters, please see section titled ‘*Capital Structure-Build-up of the shareholding of our Promoters in our Company*’ on page 59 of this Draft Prospectus-

Interest of our Promoters

Our Promoters are interested in our Company to the extent that they are the Promoters of our Company and to the

extent of their respective shareholding directly or indirectly along with that of their relatives in our Company, their directorship in our Company (wherever applicable), interest payable on the loans provided to our Company and the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of his relatives in our Company. For further details of our Promoter's shareholding, see "*Capital Structure*" on page 59 of this Draft Prospectus. For further details of interest of our Promoter in our Company, see "*Restated Financial Statements*" on page 152 of this Draft Prospectus.

Our Promoter is also interested to the extent of remuneration, benefits, reimbursement of expenses, sitting fees and commission payable to him and his relative by Company. For further details, see "*Our Management*" page 133 of this Draft Prospectus. No sum has been paid or agreed to be paid to our Promoter or to any firm or company in which our Promoter is interested as a member, in cash or shares or otherwise by any person either to induce our Promoter to become, or qualify them as a director, or otherwise for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

Our Promoter is not interested in any ventures that is involved in any activities similar to those conducted by our Company.

Except as stated in this section and the section titled "*Restated Financial Statements*" on page 152 of this Draft Prospectus, our Promoter does not have any interest in our Company other than as a Promoter.

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Business Interests

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which such Promoter is interested as a member, in cash or shares or otherwise by any person either to induce them to become or to qualify them as a director (as applicable) or otherwise for services rendered by them or by such Promoters or such firm or company in connection with the promotion or formation of our Company.

For details of related party transactions entered into by our Company with our Promoters during the financial year immediately preceding the date of this Draft Prospectus, please see "*Other Financial Information -Related Party Transactions*" on page 153 of this Draft Prospectus-

Payment or benefits to Promoters or Promoter Group

Except as stated in '*Related Party Transactions*' on page 152 of this Draft Prospectus, there have been no amounts paid or benefits paid or given by our Company to our Promoters or Promoter Group in the preceding 3 years nor is there any intention to pay any amount or provide any benefit to our Promoters or Promoter Group as on the date of this Draft Prospectus.

The remuneration to the Promoter is being paid in accordance with their respective terms of appointment. For further details see "*Our Management- Terms of appointment of our Executive Directors*" on page 133 of this Draft Prospectus.

Disassociation by our Promoters in the 3 years

Our Promoters has not disassociated himself from any company or firm in the three years immediately preceding the date of this Draft Prospectus.

Material Guarantees

Other than the guarantees provided by our Promoter in relation to certain of our borrowings as and when required, our Promoter have not given any material guarantees to any third parties as on the date of this Draft Prospectus. For details of our borrowings see, "*Financial Indebtedness*" and "*Restated Financial Statements*" beginning on pages 154 and 152 of this Draft Prospectus.

Litigation involving our Promoters

Except as disclosed in '*Outstanding Litigation and Other Material Developments*' page 171 of this Draft Prospectus, there are no legal and regulatory proceedings involving our Promoters as on the date of this Draft Prospectus.

Promoter Group

As per Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, the natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

A. OUR PROMOTER GROUP

In addition to our Promoters, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

Individuals forming part of the Promoter Group:

Relationship	Mr. Rambabu Thakur	Mrs. Gaytri Thakur	Mr. Yashwant Thakur
Father	Mangilal	Late Ram Bgas	Rambabu Thakur
Mother	Meva Bai	Ayodhya Bai	Gaytri Thakur
Spouse	Gaytri Thakur	Rambabu Thakur	NA
Brother	Brajmohan Dangi	Dashrath	Rupesh Thakur
Sister	NA	Radha Bai	Urvashi Thakur
Son	Yashwant Thakur; Rupesh Thakur	Yashwant Thakur; Rupesh Thakur	NA
Daughter	Urvashi Thakur	Urvashi Thakur	NA
Spouse's father	Late Ram Bgas	NA	NA
Spouse's mother	Ayodhya Bai	NA	NA
Spouse's brother	Dashrath	Shivkala	NA
Spouse's sister	Radha Bai	NA	NA

Entities forming part of the Promoter Group

No company, firm or HUF are forming part of the promoter group.

Other Confirmations

None of our Promoters and members of the Promoter Group have been declared as wilful defaulters or as a fraudulent borrowers by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Promoters or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoters.

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GROUP COMPANY

In terms of the SEBI ICDR Regulations and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Issue Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled “*Financial Information*” on page 152 of this Draft Prospectus.

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DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. As on the date of this Draft Prospectus, our Company does not have a formal dividend policy.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, see “*Risk Factor*” on page 26 of this Draft Prospectus.

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SECTION VI: FINANCIAL INFORMATION OF THE COMPANY

RESTATED FINANCIAL STATEMENTS

S. No.	Details	Page Number
1.	Examination Report on Restated Financial Statements for the period ended December 31, 2023, and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021	F-1
2.	Restated Financial Statements for the Nine-month period ended December 31, 2023, and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021	F-4

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Independent Auditor's Report on Restated Financial Statements

To,
The Board of Directors
HOAC Foods India Limited
D-498, 1st Floor Palam Extension,
Sector-7 Dwarka,
South West Delhi,
New Delhi, India, 110077

1. We have examined the attached restated financial information of **Hoac Foods India Limited** (hereinafter referred to as "**the Company**") comprising the restated Standalone statement of assets and liabilities as at December 31, 2023, March 31, 2023, 2022 and 2021, restated Standalone statement of profit and loss and restated cash flow statement for the financial year/period ended on December 31, 2023, March 31, 2023, 2022 and 2021 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the "**restated financial information**" or "**Restated Financial Statements**") annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on EMERGE Platform ("**IPO**" or "**EMERGE IPO**") of National Stock Exchange of India Limited ("**NSE**") of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) Section 26 of Part - I of Chapter III of Companies Act, 2013 (the "**Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI**");
 - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) Issued by the Institute of Chartered Accountants of India ("**Guidance Note**")
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus ("**Offer Document**") to be filed with Securities and Exchange Board of India ("**SEBI**"), NSE and Registrar of Companies (Delhi) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Statements taking into consideration:
 - (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed EMERGE IPO;
 - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;





Krishan Rakesh & Co.
CHARTERED ACCOUNTANTS

PHONE : 011-40159075
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DELHI-110034

- (iv) 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.
5. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the year ended on December 31, 2023, March 31, 2023, 2022 and 2021.
6. Audit for the financial period ended December 31, 2023 was audited by us vide our report dt. February 16, 2024. Audit for the financial year ended March 31, 2023 was conducted by Nitika Saluja vide report dt. September 5, 2023 and for the financial year ended March 31, 2022 and 2021 was conducted by Sanjay K Goyal & Associates vide report dt. September 27, 2022 and November 29, 2021 respectively. There are no audit qualifications in the audit reports issued by previous auditors and which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these period/years is based solely on the report submitted by them.
7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
- a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year/period ended on December 31, 2023, March 31, 2023, 2022 and 2021.
 - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
 - c) have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
- (i) The "**restated Standalone statement of asset and liabilities**" of the Company as at December 31, 2023, March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (ii) The "**restated Standalone statement of profit and loss**" of the Company for the financial year/period ended as at December 31, 2023, March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (iii) The "**restated Standalone statement of cash flows**" of the Company for the financial year/period ended as at December 31, 2023, March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.





9. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial year/period ended as at December 31, 2023, March 31, 2022, 2021 and 2020 proposed to be included in the Offer Document

Annexure to Restated Financial Statements of the Company:-

- I. Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
- II. Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
- III. Summary statement of cash flows as restated as appearing in ANNEXURE III;
- IV. Corporate Information, Significant accounting policies as restated and Notes to reconciliation of restated profits and net worth as appearing in ANNEXURE IV;
- V. Details of share capital as restated as appearing in ANNEXURE V to this report;
- VI. Details of reserves and surplus as restated as appearing in ANNEXURE VI to this report;
- VII. Details of long term borrowings as restated as appearing in ANNEXURE VII to this report;
- VIII. Details of deferred tax liabilities (net) as appearing in ANNEXURE VIII to this report;
- IX. Details of long-term provisions as restated as appearing in ANNEXURE IX to this report;
- X. Details of short-term borrowings as restated as appearing in ANNEXURE X to this report;
- XI. Details of trade payables as restated as appearing in ANNEXURE XI to this report;
- XII. Details of other current liabilities as restated as appearing in ANNEXURE XII to this report;
- XIII. Details of short-term provisions as restated as appearing in ANNEXURE XIII to this report;
- XIV. Details of property, plant & equipment and intangible assets as appearing in ANNEXURE XIV to this report;
- XV. Details of other non-current assets as restated as appearing in ANNEXURE XV to this report;
- XVI. Details of inventories as restated as appearing in ANNEXURE XVI to this report;
- XVII. Details of trade receivables as restated as appearing in ANNEXURE XVII to this report;
- XVIII. Details of cash and cash equivalents as restated as appearing in ANNEXURE XVIII to this report;
- XIX. Details of short-term loans and advances as restated as appearing in ANNEXURE XIX to this report;
- XX. Details of Other current assets as restated as appearing in ANNEXURE XX to this report;
- XXI. Details of revenue from operations as restated as appearing in ANNEXURE XXI to this report;
- XXII. Details of other income as restated as appearing in ANNEXURE XXII to this report;
- XXIII. Details of cost of material consumed as restated as appearing in ANNEXURE XXIII to this report;
- XXIV. Details of changes in inventories of Finished Goods as restated as appearing in ANNEXURE XXIV to this report;
- XXV. Details of purchase of stock-in-trade as restated as appearing in ANNEXURE XXV to this report;
- XXVI. Details of employee benefit expenses as restated as appearing in ANNEXURE XXVI to this report;
- XXVII. Details of finance costs as restated as appearing in ANNEXURE XXVII to this report;
- XXVIII. Details of depreciation and amortization expense as restated as appearing in ANNEXURE XXVIII to this report;
- XXIX. Details of other expenses as restated as appearing in ANNEXURE XXIX to this report;
- XXX. Details of bifurcative other income as restated as appearing in ANNEXURE XXX to this report;
- XXXI. Ageing of trade payables as restated as appearing in ANNEXURE XXXI to this report;
- XXXII. Ageing of trade receivables as restated as appearing in ANNEXURE XXXII to this report;
- XXXIII. Details of related party transactions as restated as appearing in ANNEXURE XXXIII to this report;
- XXXIV. Disclosure under AS-15 as restated as appearing in ANNEXURE XXXIV to this report;
- XXXV. Summary of significant accounting ratios as restated as appearing in ANNEXURE XXXV to this report;





Krishan Rakesh & Co.
CHARTERED ACCOUNTANTS

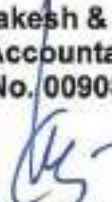
PHONE : 011-40159075
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2ND FLOOR, PITAMPURA
DELHI-110034

- XXXVI. Statement of tax shelters as restated as appearing in ANNEXURE XXXVI to this report;
XXXVII. Details of contingent liabilities & commitment as restated as appearing in ANNEXURE XXXVII to this report;
XXXVIII. Details of restated value of imports calculated on C.I.F. basis by the company during the financial year/period as appearing in ANNEXURE XXXVIII to this report;
XXXIX. Details of expenditure in foreign currency during the financial year/period as restated as appearing in ANNEXURE XXXIX to this report;
XL. Details of earnings in foreign exchange as restated as appearing in ANNEXURE XL to this report;
XLI. Details of dues of small enterprises and micro enterprises as restated as appearing in ANNEXURE XLI to this report;
XLII. Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013 as restated as appearing in ANNEXURE XLII to this report;
XLIII. Capitalisation Statement as at December 31, 2023 as restated as appearing in ANNEXURE XLIII to this report;
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, NSE and Registrar of Companies (Delhi) in connection with the proposed EMERGE IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Place : Delhi
Date : 16-02-2024
UDIN : 24087891BKEYWV3531



For Krishan Rakesh & Co.
Chartered Accountants
Firm Regn. No. 009088N


K. K. Gupta
(Partner)
M.No.:087891

HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE - I

(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	EQUITY AND LIABILITIES					
1)	Shareholders Funds					
	a. Share Capital	V	268.82	21.70	21.70	10.00
	b. Reserves & Surplus	VI	46.91	135.16	76.37	22.26
2)	Non - Current Liabilities					
	a. Long-term Borrowings	VII	83.91	50.16	52.74	53.88
	b. Deferred tax liabilities (Net)	VIII	0.99	0.64	0.35	0.25
	c. Long-term Provisions	IX	2.41	2.64	2.41	1.92
3)	Current Liabilities					
	a. Short Term Borrowings	X	120.14	140.22	94.76	74.20
	b. Trade Payables	XI				
	- Due to Micro, Small and Medium Enterprises		0.00	0.00	0.00	0.00
	- Due to Others		204.78	99.33	96.90	39.80
	c. Other Current liabilities	XII	10.96	17.66	3.70	1.01
	d. Short Term Provisions	XIII	27.48	24.21	10.78	5.01
	TOTAL		766.40	491.72	359.71	208.33
	ASSETS					
1)	Non Current Assets					
	a. Property, Plant & Equipment and Intangible Assets	XIV				
	- Property, Plant & Equipment		98.37	68.69	43.78	35.15
	- Intangible Assets		0.00	0.00	0.00	0.00
	- Capital Work-in-Progress		0.00	0.00	0.00	0.00
	b. Other Non-current assets	XV	31.30	30.23	34.65	5.69
						0.00
2)	Current Assets					
	a. Inventories	XVI	356.45	219.73	133.70	92.70
	b. Trade Receivables	XVII	224.36	107.93	76.51	12.71
	c. Cash and Cash Equivalent	XVIII	28.75	33.33	59.72	56.21
	d. Short term loan and advances	XIX	27.17	31.81	11.35	5.67
	e. Other current assets	XX	0.00	0.00	0.00	0.20
	TOTAL		766.40	491.72	359.71	208.33

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

For Krishan Rakesh & Co.
Chartered Accountants
FRN : 009088N

K. K. Gupta
Partner
Mem No.: 087891



Place : New Delhi
Date : 16-02-2024

For and on behalf of the Board of Directors of
HOAC Foods India Limited

Rambabu Thakur
(Managing Director)
DIN : 08084215

Manish Sharma
(CFO)

Place : New Delhi
Date : 16-02-2024

Yashwant Thakur
(Director)
DIN : 10351322

Bhawan Agarwal
(Company Secretary)

Bhawan Agarwal
(Company Secretary)

HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE - II
(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
A	INCOME					
	Revenue from Operations	XXI	1,148.59	1,208.56	1,087.37	742.36
	Other Income	XXII	6.12	10.49	6.76	4.62
	Total Income (A)		1,154.71	1,219.05	1,094.03	746.28
B	EXPENDITURE					
	Cost of material consumed	XXIII	607.37	605.31	629.48	447.49
	Purchase of Stock-in-Trade	XXV	304.38	280.74	232.28	144.74
	Changes in inventories of stock-in-trade	XXIV	(130.19)	(55.17)	(35.59)	(44.10)
	Employee benefits expense	XXVI	95.29	100.63	58.83	55.35
	Finance costs	XXVII	25.03	28.95	20.15	22.41
	Depreciation and amortization expense	XXVIII	9.95	9.80	5.76	3.31
	Other expenses	XXIX	139.89	167.28	145.36	99.35
	Total Expenses (B)		1,051.72	1,137.54	1,086.27	728.55
C	Profit before extraordinary items and tax(A-B)		102.99	81.51	37.76	17.73
	Prior period items (Net)		0.00	0.00	0.00	0.00
	Profit before exceptional, extraordinary items and tax		102.99	81.51	37.76	17.73
	Exceptional items		0.00	0.00	0.00	0.00
	Profit before extraordinary items and tax		102.99	81.51	37.76	17.73
	Extraordinary items		0.00	0.00	0.00	0.00
C	Profit before tax		102.99	81.51	37.76	17.73
D	Tax Expense:					
	(i) Current tax	XXXVI	28.14	22.43	10.33	4.77
	(ii) Deferred tax expenses/(credit)	XVI	0.35	0.29	0.10	0.11
	(iii) Short /excess provision for tax		0.00	0.00	0.00	0.00
	(iii) MAT Credit Entitlement		0.00	0.00	0.00	0.00
	Total Expenses (D)		28.49	22.72	10.43	4.88
E	Profit for the year (C-D)		74.50	58.79	27.33	12.85
F	Earnings per share (Face value of ₹ 10/- each): (Pre Bonus)					
	i. Basic		2.84	27.09	19.60	12.85
	ii. Diluted		2.84	27.09	19.60	12.85
G	Earnings per share (Face value of ₹ 10/- each): (Post Bonus)					
	i. Basic		2.84	3.19	2.31	1.51
	ii. Diluted		2.84	3.19	2.31	1.51

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

For Krishan Rakesh & Co.
Chartered Accountants
FRN / 009085N

K. K. Gupta
Partner
Mem No.: 087891

Place : New Delhi
Date : 16-02-2024



Rambabu

Rambabu Thakur
(Managing Director)
DIN : 08084215

Mamish Sharma
Mamish Sharma
(CFO)

Place : New Delhi
Date : 16-02-2024

For and on behalf of the Board of Directors of
HOAC Foods India Limited

Yashwant Thakur

Yashwant Thakur
(Director)
DIN : 10351322

Bhavya Agarwal
Bhavya Agarwal
(Company Secretary)

HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE - III
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash Flow From Operating Activities:				
Net Profit before tax as per Profit And Loss A/c	102.99	81.51	37.76	17.73
Adjustments for:				
Finance Cost	25.03	28.95	20.15	22.41
Gratuity Provision	0.42	0.81	(0.05)	1.16
Interest Income	0.00	0.00	(0.46)	(0.22)
Other Incomes	(6.12)	(10.49)	(6.25)	(3.80)
Assets Written off	0.00	0.00	(0.19)	0.00
Depreciation and Amortisation Expense	9.95	9.80	5.76	3.31
Operating Profit Before Working Capital Changes	132.27	110.58	56.72	40.59
Adjusted for (Increase)/Decrease in operating assets				
Loans and advances	4.64	(20.46)	(5.68)	(5.36)
Inventories	(136.72)	(86.03)	(41.00)	(48.14)
Trade Receivables	(116.43)	(31.42)	(63.80)	(2.76)
Other Assets (Including Other Bank Balances)	0.00	0.00	0.20	(0.20)
Adjusted for Increase/(Decrease) in operating liabilities:				
Trade Payables	105.45	2.43	57.10	(1.67)
Other Current Liabilities & Provisions	(7.09)	13.59	3.22	(6.45)
Cash Generated From Operations Before Extra-Ordinary Items	(17.88)	(11.31)	6.76	(24.00)
Net Income Tax paid/ refunded	(25.13)	(9.21)	(4.55)	(2.01)
Net Cash Flow from/(used in) Operating Activities: (A)	(43.01)	(20.52)	2.21	(26.00)
Cash Flow from Investing Activities:				
Purchase of property, plant & equipment and intangible assets	(39.63)	(34.71)	(18.71)	(25.90)
Sale of property, plant & equipment	0.00	0.00	4.51	0.00
Interest Income Received	0.00	0.00	0.46	0.22
Other Income	6.12	10.49	6.25	3.80
Net Cash Flow from/(used in) Investing Activities: (B)	(33.51)	(24.22)	(7.49)	(21.88)
Cash Flow from Financing Activities:				
Proceeds/(Repayment) of Borrowings	13.67	42.88	19.42	93.94
Proceeds from issue of Share Capital	84.37	0.00	38.48	0.00
Loans and Advances	(1.07)	4.42	(28.96)	(3.84)
Finance Cost Paid	(25.03)	(28.95)	(20.15)	(22.41)
Net Cash Flow from/(used in) Financing Activities: (C)	71.94	18.35	8.79	67.69
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(4.58)	(26.39)	3.51	19.81
Cash & Cash Equivalents As At Beginning of the Year	33.33	59.72	56.21	36.41
Cash & Cash Equivalents As At End of the Year	28.75	33.33	59.72	56.21

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

Note: The Cash Flow Statements has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act, 2013.

For Krishan Rakesh & Co.
Chartered Accountants
FRCN : 009088N

K. K. Gupta
Partner
Mem No.: 087891



Place : New Delhi
Date : 16-02-2024

For and on behalf of the Board of Directors of
HOAC Foods India Limited

Rambabu Thakur
(Managing Director)
DIN : 08084215

Manish Sharma
(CFO)

Place : New Delhi
Date : 16-02-2024

Yashwant Thakur
(Director)
DIN : 10351322

Shawna Agarwal
(Company Secretary)

HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH

1. CORPORATE INFORMATION

Our Company was originally incorporated with the name as "Hoac MP Atta Spices Manufacture Private Limited" a private limited company on March 13, 2018 under the Companies Act, 2013, with Registrar of Companies, Delhi bearing registration number 330739. Thereafter, the company name was changed to 'Hoac Foods India Private Limited' dated November 03, 2021. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed by our Shareholders at an Extraordinary general meeting held on October 13, 2023 and consequently the name of our Company was changed to 'Hoac Foods India Limited' and a fresh certificate of incorporation dated 30th October, 2023 was issued by the Registrar of Companies, Delhi at New Delhi.

The company is engaged in the manufacturing of flour (chakki atta), herbs & spices, unpolished pulses, grains, and yellow mustard oil.

2. SIGNIFICANT ACCOUNTING POLICIES

2.01 BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The restated summary statement of assets and liabilities of the Company as at December 31, 2023, March 31, 2023, March 31, 2022 and 2021 and the related restated summary statement of profits and loss and cash flows for the year/period ended December 31, 2023, March 31, 2023, March 31, 2022 and 2021 (herein collectively referred to as ("Restated Summary Statements") have been compiled by the management from the audited Financial Statements of the Company for the year/period ended on December 31, 2023, March 31, 2023, March 31, 2022 and 2021 approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE in connection with its proposed SME IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current - non-current classification of assets and liabilities.

2.02 USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.03 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(i) Property, Plant & Equipment

All Property, Plant & Equipment are recorded at cost including taxes, duties, freight and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

(ii) Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH

2.04 DEPRECIATION / AMORTISATION

Depreciation on fixed assets is calculated on a Straight Line method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. Individual assets cost of which doesn't exceed Rs. 5,000/- each are depreciated in full in the year of purchase.

Intangible assets including internally developed intangible assets are amortised over the year for which the company expects the benefits to accrue. Intangible assets are amortized on straight line method basis over 10 years in pursuance of provisions of AS-26.

2.05 INVENTORIES

Inventories comprises of Raw Material and Finished Goods.

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.06 IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

2.07 INVESTMENTS:

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment. Cost of investments sold is arrived using average method.

2.08 FOREIGN CURRENCY TRANSLATIONS

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognized in Profit & Loss Account in the year in which it arises.

2.09 BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.11 REVENUE RECOGNITION

Revenue is Recognised only when significant risk and rewards of ownership has been transferred to the buyer and it can be reliably measured and its reasonable to expect ultimate collection of it. Gross sales are of net trade discount, rebates, sales taxes and excise duties. Revenue from services is recognized, when services have been performed as per terms of contract, amount can be measured and there is no significant uncertainty as to collection.

The Company adopts accrual concepts in preparation of accounts. Claims /Refunds not ascertainable with reasonable certainty are accounted for on final settlement.

2.12 OTHER INCOME

Interest Income on fixed deposit is recognized on time proportion basis. Other Income is accounted for when right to receive such income is established.



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH

2.13 TAXES ON INCOME

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – "Accounting for taxes on income", notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

2.14 CASH AND BANK BALANCES

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance (with original maturity is more than three months but less than twelve months).

2.15 EARNINGS PER SHARE

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.16 EMPLOYEE BENEFITS

Defined Contribution Plan:

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

Defined Benefit Plan:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. Provision for gratuity has been made in the books as per actuarial valuation done as at the end of the year.

2.17 SEGMENT REPORTING

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH

3. NOTES ON RECONCILIATION OF RESTATED PROFITS

(₹ in Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit/(Loss) after Tax as per Audited Profit & Loss Account	85.04	50.46	26.06	13.69
Adjustments for:				
Interest on Income Tax Refund	0.00	(0.07)	0.00	0.00
Interest Income on FD	0.00	0.00	(0.16)	0.15
Revenue from Operations	0.00	(1.53)	6.88	0.00
Provision for Gratuity Written Back	0.00	0.00	0.05	0.00
Purchase During the year	0.00	0.87	(6.88)	0.00
Employee Benefit Expense	0.00	(10.51)	0.00	(1.16)
Finance Cost	0.00	(0.32)	(2.48)	(0.08)
Depreciation and Amortization Expense	0.00	8.45	(1.23)	0.33
Other Expense	0.00	5.82	4.25	(0.41)
Income tax expense	0.96	3.89	(0.99)	(0.01)
Deferred tax expense	(8.00)	1.73	1.64	0.34
Asset Written off	0.00	0.00	0.19	0.00
Prior Period Income	(3.50)	0.00	0.00	0.00
Net Profit/ (Loss) After Tax as Restated	74.50	58.79	27.33	12.85

Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:

- a. Interest on FD :** The Company has booked deficit interest on fixed deposits in FY 20-21 and excess interest in FY 21-22 which has now been restated.
- b. Depreciation and Amortization Expense:** The Company has inappropriately calculated depreciation using SLM and useful life as per Schedule II of Companies Act, 2013 which has now been restated. For FY 22-23 the company changed its method of depreciation to WDV but in Restatement SLM has been applied uniformly.
- c. Revenue from Operations:** The sales of the company for FY 21-22 and 22-23 was mismatch with GST Portal hence restated.
- d. Rent:** The Company has not recognised lease equalisation reserve as per the lease agreement which has now been restated.
- e. Bank Charges and Interest on Borrowings:** The Company has inadvertently booked bank charges, Interest on borrowing, Processing charge and loan repayment charges which has now been restated.
- f. Purchase During the Year :** The B2B purchase of the company for FY 21-22 and 22-23 was mismatch with GST Portal hence restated.
- g. Prior-period expenses:** The Company has recognised prior period expenses which has now been restated to respective years.
- h. Employee Benefit Expense:** The Company has failed to record the salary of some employees in FY 22-23 which were being reflected in Long term Loans and Advances (Asset) which has now been restated.
- i. Income Tax Expense:** The Company has inappropriately calculated income tax liability which has now been restated for restatement adjustment as above and provided for using tax rates related to the respective financial year as per Statement of tax shelters.
- j. Deferred Tax:** The Company has not calculated correctly the deferred tax impact which has now been restated.
- k. Gratuity Expense:** The company has not recognised Gratuity expense in the books for the given periods which has now been restated.



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH

4. NOTES ON RECONCILIATION OF RESTATED NET-WORTH

(₹ in Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Networth as audited (a)	317.94	148.53	98.07	33.54
Adjustments for:				
Opening Balance of Adjustments	8.33	0.00	(1.28)	0.00
Previous years' depreciation expense booked	0.00	0.00	0.00	(0.22)
Previous year Gratuity Expense booked	0.00	0.00	0.00	(0.43)
Deferred Tax Credit for previous years	0.00	0.00	0.00	0.21
Change in Profit/(Loss)	(10.54)	8.32	1.28	(0.84)
Closing Balance of Adjustments (b)	(2.21)	8.33	0.00	(1.28)
Networth as restated (a +b)	315.73	156.86	98.07	32.26

Explanatory notes to the above restatements to networth made in the audited Financial Statements of the Company for the respective years:

a. Reversal of depreciation expenses : The Company has inappropriately calculated depreciation using SLM and useful life as per Schedule II of Companies Act, 2013 which has now been restated. For FY 22-23 the company changed its method of depreciation to WDV but in Restatement SLM has been applied uniformly and debited to opening reserves for impact related to period on or before March 31, 2023.

b. Lease Equalisation Reserve: The Company has not recognised lease equalisation reserve as per the lease agreement which has now been restated.

c. Gratuity Expense: The company has not recognised Gratuity expense in the books for the given periods which has now been restated.

d. Deferred Tax Credit for previous years : The Company has not calculated correctly the deferred tax impact on WDV of property, plant & equipment, Provision for Gratuity Expense and Lease equalisation which has now been restated.

f. Change in Profit/(Loss) : Refer Note 3 above.

5. ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:

a. Material Regrouping

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).



HOAC FOODS INDIA LIMITED
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CIN: U15120DL2018PLC330739

DETAILS OF SHARE CAPITAL AS RESTATED

ANNEXURE - V

(₹ in Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
EQUITY SHARE CAPITAL:				
AUTHORISED:				
Equity Shares of ₹ 10 each	400.00	50.00	50.00	10.00
Preference Share of ₹ 1 each				
	400.00	50.00	50.00	10.00
ISSUED, SUBSCRIBED AND PAID UP				
Equity Shares of ₹ 10 each fully paid up	268.82	21.70	21.70	10.00
	268.82	21.70	21.70	10.00
TOTAL	268.82	21.70	21.70	10.00

Reconciliation of number of shares outstanding at the end of the year:

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Equity Shares at the beginning of the year	217,000	217,000	100,000	100,000
Add: Shares issued during the year	99,260	-	117,000	-
Add: Bonus Issued during the year	2,371,950	-	-	-
Equity Shares at the end of the year	2,688,210	217,000	217,000	100,000

Note:

- 1) Terms/Rights attached to Equity Shares: The company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Share holders.
- 2) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.
- 3) Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.

Details of Shareholders holding more than 5% of the aggregate shares of the company:

Name of Shareholders	As at December 31, 2023	
	No. of Shares	% of Holding
Equity Share Holders		
Rambabu Thakur	1,673,235	62.24%
Gaytri Thakur	1,014,475	37.74%
	2,687,710	99.98%

Details of Shareholders holding more than 5% of the aggregate shares of the company:

Name of Shareholders	As at March 31, 2023	
	No. of Shares Held	% of Holding
Equity Share Holders		
Rambabu Thakur	97,650	45.00%
Gaytri Thakur	119,350	55.00%
	217,000	100.00%



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

Details of Shareholders holding more than 5% of the aggregate shares of the company:

Name of Shareholders	As at March 31, 2022	
	No. of Shares Held	% of Holding
Equity Share Holders		
Rambabu Thakur	97,650	45.00%
Gaytri Thakur	119,350	55.00%
	217,000	100.00%

Details of Shareholders holding more than 5% of the aggregate shares of the company:

Name of Shareholders	As at March 31, 2021	
	No. of Shares Held	% of Holding
Equity Share Holders		
Rambabu Thakur	45,000	45.00%
Gaytri Thakur	55,000	55.00%
	100,000	100.00%

Details of equity shares held by promoters:

Name of Promoter	As at December 31, 2023		% Change during the year
	No. of Shares Held	% of Holding	
Rambabu Thakur	1,673,235	62.24%	17.24%
Gaytri Thakur	1,014,475	37.74%	-17.26%
Yashwant Thakur	100	0.0037%	0.0037%

Details of equity shares held by promoters:

Name of Promoter	As at March 31, 2023		% Change during the year
	No. of Shares Held	% of Holding	
Rambabu Thakur	97,650	45.00%	0.00%
Gaytri Thakur	119,350	55.00%	0.00%

Details of equity shares held by promoters:

Name of Promoter	As at March 31, 2022		% Change during the year
	No. of Shares Held	% of Holding	
Rambabu Thakur	97,650	45.00%	0.00%
Gaytri Thakur	119,350	55.00%	0.00%

Details of equity shares held by promoters:

Name of Promoter	As at March 31, 2021		% Change during the year
	No. of Shares Held	% of Holding	
Rambabu Thakur	45,000	45.00%	0.00%
Gaytri Thakur	55,000	55.00%	0.00%



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DETAILS OF RESERVE & SURPLUS AS RESTATED

ANNEXURE - VI
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Securities Premium				
Opening Balance	26.78	26.78	0.00	0.00
Add: Received during the year	74.45	0.00	26.78	0.00
Less: Transferred to Equity Share Capital (Bonus)	101.23			
Closing Balance	0.00	26.78	26.78	0.00
Balance in profit & Loss A/c				
Opening Balance	108.38	49.59	22.26	9.85
Add : Net profit / (Loss) after Tax for the year	74.50	58.79	27.33	12.85
Less: Previous year depreciation expense booked	0.00	0.00	0.00	(0.22)
Less: Previous year Gratuity Expense booked	0.00	0.00	0.00	(0.43)
Less: Transferred to Equity Share Capital (Bonus)	(135.97)	0.00	0.00	0.00
Less: Deferred Tax for previous years	0.00	0.00	0.00	0.21
Closing Balance	46.91	108.38	49.59	22.26
TOTAL	46.91	135.16	76.37	22.26

DETAILS OF LONG TERM BORROWINGS AS RESTATED

ANNEXURE - VII
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Secured				
<u>Vehicle Loan</u>				
- Banks	25.33	2.86	4.88	1.98
Unsecured				
<u>Term Loan</u>				
- Banks	23.91	47.29	44.86	34.32
- Others	34.68	0.00	3.00	17.59
TOTAL	83.91	50.16	52.74	53.88

(Refer Annexure for terms of security, repayment and other relevant details)

DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED

ANNEXURE - VIII
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities arising on account of:				
-Difference of WDV as per Companies Act, 2013 and Income Tax Act, 1961	1.74	1.33	0.98	0.75
-Expenses disallowed under Income Tax Act, 1961	(0.75)	(0.69)	(0.63)	(0.50)
TOTAL	0.99	0.64	0.35	0.25



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DETAILS OF LONG TERM PROVISIONS AS RESTATED

ANNEXURE - IX
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity	2.31	2.35	1.55	1.59
Lease Equalisation Reserve	0.10	0.29	0.86	0.33
TOTAL	2.41	2.64	2.41	1.92

DETAILS OF SHORT TERM BORROWINGS AS RESTATED

ANNEXURE - X
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Secured				
Cash Credit	78.21	33.54	35.78	35.22
Unsecured				
Loan from Directors	5.74	70.25	32.42	10.23
Current maturities of long-term debt	36.19	36.43	26.56	28.75
TOTAL	120.14	140.22	94.76	74.20

(Refer Annexure for terms of security, repayment and other relevant details)

*Loan from Directors are interest-free in FY 20-21, 21-22 and 22-23

DETAILS OF TRADE PAYABLES AS RESTATED

ANNEXURE - XI
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Due to Micro, Small and Medium Enterprises	0.00	0.00	0.00	0.00
Due to Others	204.78	99.33	96.90	39.80
TOTAL	204.78	99.33	96.90	39.80

(Refer Annexure - XXXI for ageing)

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

ANNEXURE - XII
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Employee benefit payable	4.50	1.05	0.72	0.00
Advance from Customers	1.73	2.08	1.24	0.45
Statutory Dues Payable	3.42	7.20	1.14	0.26
Salary Payable	0.00	5.57	0.00	0.00
Electricity expense Payable	1.31	0.12	0.00	0.00
Audit Fees Payable	0.00	0.30	0.60	0.30
Interest on TDS/TCS	0.00	0.32	0.00	0.00
Director's Salary	0.00	1.02	0.00	0.00
TOTAL	10.96	17.66	3.70	1.01



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DETAILS OF SHORT TERM PROVISIONS AS RESTATED

ANNEXURE - XIII
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Provision for Taxation (Net of Advance Tax, TDS and TCS)	27.01	24.00	10.78	5.01
Provision for Gratuity	0.47	0.01	0.00	0.00
Provision for Late Fees on ESI	0.00	0.20	0.00	0.00
TOTAL	27.48	24.21	10.78	5.01

DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED

ANNEXURE - XV
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Security Deposits	31.30	30.23	34.65	5.69
TOTAL	31.30	30.23	34.65	5.69

DETAILS OF INVENTORIES AS RESTATED

ANNEXURE - XVI
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Food grains and flour and spices	356.45	219.73	133.70	92.70
TOTAL	356.45	219.73	133.70	92.70

DETAILS OF TRADE RECEIVABLES AS RESTATED

ANNEXURE - XVII
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good				
Trade Receivable More than Six Months	122.38	64.32	63.42	0.07
Trade Receivable Less than Six Months	101.98	43.61	13.09	12.64
TOTAL	224.36	107.93	76.51	12.71

(Refer Annexure - XXXII for ageing)

DETAILS OF CASH & CASH EQUIVALENT AS RESTATED

ANNEXURE - XVIII
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a. Cash and Cash Equivalents				
Cash-in-Hand	27.91	24.03	6.65	23.28
Bank Balance	0.84	9.30	53.07	8.72
Fixed Deposits (having original maturity of less than 3 months)	0.00	0.00	0.00	24.21
TOTAL	28.75	33.33	59.72	56.21

*Paytm Wallet and Paytm Bank Statements for all the years/Period were not available, hence the Balances are not verified



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DETAILS OF SHORT TERM LOAN AND ADVANCES AS RESTATED

ANNEXURE - XIX
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Balance with Government Authorities	0.00	3.17	6.16	4.39
Prepaid Expense	0.13	0.30	0.00	0.00
Advance to Suppliers	1.77	0.00	4.16	1.28
Staff Advances	14.82	15.85	1.03	0.00
Vendor and other advances	10.45	12.49	0.00	0.00
TOTAL	27.17	31.81	11.35	5.67

DETAILS OF OTHER CURRENT ASSETS AS RESTATED

ANNEXURE - XX
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on fixed deposits	0.00	0.00	0.00	0.20
TOTAL	0.00	0.00	0.00	0.20



DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED

XIV ANNEXURE-
(2)

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01.04.2023	ADDITIONS	DEDUCTIONS	AS AT 31.12.2023	UPTO 01.04.2023	FOR THE YEAR	UPTO 31.12.2023	AS AT 31.12.2023	AS AT 31.03.2023
Property, Plant & Equipment									
Tangible Assets									
Plant & machinery	19.78	4.84	-	24.62	2.70	1.02	3.72	20.90	17.08
Computer	9.31	1.10	-	10.41	5.46	1.65	7.11	3.30	3.85
Electric Installations	6.62	0.10	-	6.72	1.36	0.48	1.84	4.88	5.26
Furniture & Fixtures	15.70	2.83	-	18.53	2.96	1.21	4.17	14.36	12.74
Office Equipments	6.21	1.23	-	7.44	2.23	1.00	3.23	4.21	3.98
Vehicles	31.04	29.53	-	60.57	5.26	4.59	9.85	50.72	25.78
Total	88.66	39.63	-	128.29	19.97	9.95	29.92	98.37	68.60

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01.04.2022	ADDITIONS	DEDUCTIONS	AS AT 31.03.2023	UPTO 01.04.2022	FOR THE YEAR	UPTO 31.03.2023	AS AT 31.03.2023	AS AT 31.03.2022
Property, Plant & Equipment									
Tangible Assets									
Plant & machinery	16.43	3.35	-	19.78	1.55	1.15	2.70	17.08	14.88
Computer	6.16	3.15	-	9.31	3.30	2.16	5.46	3.85	2.86
Electric Installations	5.94	0.68	-	6.62	0.77	0.59	1.36	5.26	5.17
Furniture & Fixtures	10.54	5.16	-	15.70	1.67	1.29	2.96	12.74	8.87
Office Equipments	3.84	2.37	-	6.21	1.16	1.07	2.23	3.98	2.68
Vehicles	11.04	20.00	-	31.04	1.72	3.54	5.26	25.78	9.32
Total	53.95	34.71	-	88.66	10.17	9.80	19.97	68.69	43.78



CIN: U15120DL2018PLC330739

ANNEXURE- XIV
(₹ In Lakhs)

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01.04.2020	ADDITIONS	DEDUCTIONS	AS AT 31.03.2021	UPTO 01.04.2020	FOR THE YEAR	UPTO 31.03.2021	AS AT 31.03.2021	AS AT 31.03.2020
Property, Plant & Equipment									
Tangible Assets									
Plant & machinery	3.93	8.32	-	12.25	0.15	0.48	0.63	11.62	3.78
Computer	1.76	3.82	-	5.58	0.43	1.05	1.48	4.10	1.32
Electric Installations	0.83	3.71	-	4.54	0.08	0.18	0.26	4.28	0.75
Furniture & Fixtures	1.31	8.08	1.31	9.39	0.14	0.57	0.71	8.68	1.16
Office Equipments	0.81	1.91	-	2.72	0.15	0.41	0.56	2.16	0.67
Vehicles	5.21	0.06	-	5.27	0.34	0.62	0.96	4.31	4.87
Total	13.85	25.90	-	39.75	1.29	3.31	4.60	35.15	12.55



HOAC FOODS INDIA LIMITED

ANNEXURE FOR TERMS OF BORROWINGS AS RESTATED:

Name of Lender	Nature of Security	Repayment Terms	Sanction (₹ In Lakhs)	Rate of Interest	Tenure (Months)	No. of QOS Installments	Installment (₹)	Outstanding as on March 31, 2023 (₹ In Lakhs)	Outstanding as on March 31, 2022 (₹ In Lakhs)	Outstanding as on March 31, 2021 (₹ In Lakhs)
AMBIT FINVEST PRIVATE LIMITED	Unsecured	Repayable in 36 Equated monthly installments	10.00	30% p.a.	36	-	37,164	-	-	8.94
AXIS BANK	Unsecured	Repayable in 36 Equated monthly installments	10.00	18.5% p.a.	36	-	36,934	-	-	8.46
Axix Bank *	Unsecured	Repayable in 36 Equated monthly installments	20.00	18.50% p.a.	36	-	79,899	13.77	19.48	-
BANK OF BARODA	Such Cash Credit facility is secured by Hypothecation of Stock and Book Debt	Repayable on Demand	35.00	10.25% p.a.	-	N/A	Lumpsum	35.54	35.78	35.22
DEUTSCHE BANK	Unsecured	Repayable in 36 Equated monthly installments	35.00	17% p.a.	36	-	89,132	18.73	-	-
Edix Bank *	Unsecured	Repayable in 36 Equated monthly installments	15.00	17% p.a.	36	-	52,479	8.66	8.44	12.00
SHFC BANK	Vehicle Loan	Repayable in 48 Equated monthly installments	5.77	7.50% p.a.	48	25	13,958	3.23	5.46	-
SHFC Bank *	Vehicle Loan	Repayable in 47 Equated monthly installments	4.87	9.50% p.a.	47	-	13,470	0.63	1.98	3.22
KOCC BANK *	Unsecured	Repayable in 36 Equated monthly installments	20.00	16.50 % p.a.	36	-	71,033	13.63	19.63	-
Bank of Baroda	Unsecured	Loan Tenure is of 60 months, including moratorium period of 24 months for principal amount. Principal is repayable in 36 Equated monthly installments	10.00	REPLR + 1% p.a.	60	-	-	10.00	10.00	-
REU BANK LOAN	Unsecured	Repayable in 36 Equated monthly installments	16.12	18.50% p.a.	36	-	58,643	-	-	14.00
Ugro Capital Limited	Unsecured	Repayable in 36 Equated monthly installments	20.20	19.00% p.a.	36	-	96,411	-	-	17.66
Yes Bank	Unsecured	Repayable in 36 Equated monthly installments	20.00	17.75% p.a.	36	-	72,094	-	11.31	17.36
Yes Bank	Unsecured	Repayable in 36 Equated monthly installments	30.00	16.50% p.a.	36	-	106,212	15.02	22.22	-
YESFC Bank	Vehicle Loan	Repayable in 48 Equated monthly installments	21.41	7.00% p.a.	48	-	51,273	-	-	-
YESFC Bank	Vehicle Loan	Repayable in 48 Equated monthly installments	1.50	7.00% p.a.	48	-	3,635	-	-	-
Geddy Capital Company	Unsecured	Loan Tenure is of 48 months, including moratorium period of 12 months for principal amount. Principal is repayable in 36 Equated monthly installments	25.00	19.00% p.a.	48	41	30,146/91,640	25.00	-	-
AIU Small Finance Bank Ltd	Such Overdraft facility is secured by Hypothecation of Stock and Book Debt	Repayable on Demand	115.00	11.00% p.a.	12	N/A	Lumpsum	78.31	-	-
Axis Bank	Vehicle Loan	Repayable in 84 Equated monthly installments	22.00	9.30% p.a.	84	77	35,732	20.54	-	-
Axis Bank	Vehicle Loan	Repayable in 47 Equated monthly installments	7.66	9.90% p.a.	47	44	19,732	9.26	-	-
Chelaram Finance	Unsecured	Repayable in 48 Equated monthly installments	26.00	17.20% p.a.	48	42	58,344	18.30	-	-
IDFC First Bank	Unsecured	Repayable in 36 Equated monthly installments	35.70	16.00% p.a.	36	38	125,911	10.87	-	-

* Loan Repayment Schedules are not available and other relevant documents are not available. Hence, closing balances and current maturities are verified based on payment made.

HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

ANNEXURE - XXI
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Goods				
-Domestic Sales	1,148.59	1,208.56	1,087.27	742.26
TOTAL	1,148.59	1,208.56	1,087.27	742.26

DETAILS OF OTHER INCOME AS RESTATED

ANNEXURE - XXII
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income on FD	0.00	0.00	0.46	0.22
Other Interest Income	0.00	0.00	0.00	0.00
Interest on Income Tax Refund	0.00	0.01	0.00	0.00
Provision for Gratuity Written Back	0.00	0.00	0.05	0.00
Unspent Liability Written back	0.00	0.00	0.00	0.00
Foreign Exchange Fluctuation	0.00	0.00	0.00	0.00
Discount Received	6.12	5.60	6.06	3.77
Reimbursement of expense	0.00	0.00	0.00	0.00
Asset Written off	0.00	0.00	0.19	0.00
Freight Income	0.00	4.14	0.00	0.00
Other Non Operating Income	0.00	0.00	0.00	0.03
Misc Receipts	0.00	0.74	0.00	0.00
Other Income	0.00	0.00	0.00	0.00
TOTAL	6.12	10.49	6.76	4.02

DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED

ANNEXURE - XXIII
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Stock	47.01	16.15	10.74	6.69
Add: Purchase During the year	918.28	916.91	867.17	596.28
Less: Purchase Used for retail trade	(304.38)	(280.74)	(232.28)	(144.74)
Less : Closing Stock	(53.54)	(47.01)	(16.15)	(10.74)
TOTAL	607.37	605.31	629.48	447.49

DETAILS OF CHANGES IN INVENTORIES OF STOCK-IN-TRADE AS RESTATED

ANNEXURE - XXIV
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Finished Goods				
Opening Stock	172.72	117.55	81.96	37.86
Less: Closing Stock	(302.91)	(172.72)	(117.55)	(81.96)
TOTAL	(130.19)	(55.17)	(35.59)	(44.10)



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DETAILS OF PURCHASE OF STOCK-IN-TRADE AS RESTATED

ANNEXURE - XXV
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of Flours, Spices and pulses	304.38	280.74	232.28	144.74
TOTAL	304.38	280.74	232.28	144.74

DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED

ANNEXURE - XXVI
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Salary to Staff	73.48	80.58	47.54	39.33
Director's Remuneration	13.95	15.38	10.50	12.86
Overtime allowance	0.17	0.00	0.00	0.00
Contribution to EDLI	0.02	0.00	0.00	0.00
EPF Employers Contribution	0.69	0.00	0.00	0.00
ESI Employers Contribution	0.23	0.30	0.19	0.29
Gratuity Expense	0.42	0.81	0.00	1.16
Incentive to Staff	1.31	0.00	0.00	0.00
Staff Welfare Expenses	5.02	3.56	0.60	1.71
TOTAL	98.29	100.63	58.83	55.35

DETAILS OF FINANCE COST AS RESTATED

ANNEXURE - XXVII
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Bank and FI's Charges (Including Processing Charges and Guarantee Commission)	1.68	4.17	0.63	5.76
Interest on Borrowings	17.27	20.27	14.44	14.35
Loan Processing Charges	3.63	1.20	0.99	0.00
Loan Prepayment Charges	0.94	0.50	2.34	2.06
Interest on TDS	0.09	0.84	0.25	0.00
Interest on Income Tax	1.42	1.97	1.50	0.24
TOTAL	25.03	28.95	20.15	22.41

DETAILS OF DEPRECIATION AND AMORTIZATION EXPENSE AS RESTATED

ANNEXURE - XXVIII
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation and Amortization Expenses	9.95	9.80	5.76	3.31
TOTAL	9.95	9.80	5.76	3.31



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DETAILS OF OTHER EXPENSES AS RESTATED

ANNEXURE - XXIX

(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Auditor's Remuneration	0.00	0.30	0.30	0.30
Office Expenses	0.00	2.89	6.43	2.42
Freight & Transportation	8.92	10.16	2.56	6.00
Bike Rent Expense	0.00	3.58	0.00	0.00
Manufacturing Expense	7.90	0.00	0.00	0.00
Packing Expense	23.11	31.41	26.06	16.51
Selling and Marketing Expense	6.35	1.46	4.09	3.23
Communication Expense	0.41	1.48	1.26	0.65
Commission Expense	2.50	1.12	0.00	0.00
Contractor and Labour Charges	0.00	2.81	11.79	2.68
Electricity and Water Expenses	14.97	13.39	15.95	13.90
Accounting Expense	0.00	0.00	0.30	0.30
Business Promotion Expense	5.43	5.61	4.37	1.45
Insurance Charges	1.63	0.91	0.11	0.18
Interest on Delayed Payment	0.71	0.00	0.00	0.00
Printing and Stationery	0.92	2.32	2.68	1.85
Legal and Professional Charges	10.66	3.74	2.11	1.55
Rent Shops and Godown	28.79	58.49	47.78	30.54
POS Machine Rent	0.00	0.54	0.37	0.34
Running Expense	0.00	3.40	6.34	6.11
Festival Expenses	0.00	2.67	2.05	2.16
Vehicle Running and maintenance Expense	0.00	0.08	2.20	2.00
Software Expense	1.03	0.65	0.38	3.39
Travelling and Conveyance Expenses	0.72	8.67	2.39	0.16
Sundry Balances Written off	2.55	0.00	0.00	0.00
Repair & Maintenance Expenses	8.95	8.26	3.90	0.93
Income tax Demand expense	0.00	0.99	0.09	0.00
Discount	0.00	0.01	0.00	0.00
Donation	4.01	1.47	0.00	0.00
General & Miscellaneous Expenses	4.92	0.34	1.55	1.95
Late Filing Fees	0.28	0.53	0.30	0.75
Roc Charges	4.90	0.00	0.00	0.00
Legal Fees	0.23	0.00	0.00	0.00
TOTAL	139.89	167.28	145.36	99.35



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DETAILS OF OTHER INCOME AS RESTATED

ANNEXURE XXX
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021	Nature
Other Income	6.12	10.49	6.76	4.02	
Net Profit Before Tax as Restated	102.99	81.51	37.76	17.73	
Percentage	5.94%	12.87%	17.90%	22.67%	

Source of Income

Other Non Operating Income	0.00	0.00	0.00	0.03	Non-Recurring and related to Business Activity
Interest Income on FD	0.00	0.00	0.46	0.22	Recurring and not related to Business Activity
Discount Received	6.12	5.60	6.06	3.77	Recurring and related to Business Activity
Provision for Gratuity Written Back	0.00	0.00	0.05	0.00	Non-Recurring and not related to Business Activity
Misc. Income	0.00	0.74	0.00	0.00	Non-Recurring and related to Business Activity
Freight Income	0.00	4.14	0.00	0.00	Non-Recurring and related to Business Activity
Interest on Income Tax Refund	0.00	0.01	0.00	0.00	Non-Recurring and not related to Business Activity
Asset Written off	0.00	0.00	0.19	0.00	Non-Recurring and related to Business Activity
Total Other income	6.12	10.49	6.76	4.02	



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

AGEING OF TRADE PAYABLES AS RESTATED

ANNEXURE - XXXI

(₹ In Lakhs)

I. Ageing of Creditors as at December 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	0.00	0.00	0.00	0.00	0.00
(b) Others	195.70	9.08	0.00	0.00	204.78
(c) Disputed Dues - MSME	0.00	0.00	0.00	0.00	0.00
(d) Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00
Total	195.70	9.08	0.00	0.00	204.78

II. Ageing of Creditors as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	0.00	0.00	0.00	0.00	0.00
(b) Others	94.53	4.80	0.00	0.00	99.33
(c) Disputed Dues - MSME	0.00	0.00	0.00	0.00	0.00
(d) Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00
Total	94.53	4.80	0.00	0.00	99.33

II. Ageing of Creditors as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	0.00	0.00	0.00	0.00	0.00
(b) Others	96.90	0.00	0.00	0.00	96.90
(c) Disputed Dues - MSME	0.00	0.00	0.00	0.00	0.00
(d) Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00
Total	96.90	0.00	0.00	0.00	96.90

III. Ageing of Creditors as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	0.00	0.00	0.00	0.00	0.00
(b) Others	39.80	0.00	0.00	0.00	39.80
(c) Disputed Dues - MSME	0.00	0.00	0.00	0.00	0.00
(d) Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00
Total	39.80	0.00	0.00	0.00	39.80



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

AGEING OF TRADE RECEIVABLES AS RESTATED

ANNEXURE - XXXII
(₹ In Lakhs)

I. Ageing of Debtors as at December 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	122.38	18.59	83.39	0.00	0.00	224.36
(b) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(c) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(d) Disputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
Total	122.38	18.59	83.39	0.00	0.00	224.36

II. Ageing of Debtors as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	64.32	1.00	42.61	0.00	0.00	107.93
(b) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(c) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(d) Disputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
Total	64.32	1.00	42.61	0.00	0.00	107.93

III. Ageing of Debtors as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	63.42	13.07	0.02	0.00	0.00	76.51
(b) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(c) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(d) Disputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
Total	63.42	13.07	0.02	0.00	0.00	76.51
Add: Unbuild Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total	63.42	13.07	0.02	0.00	0.00	76.51

I. Ageing of Debtors as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	12.64	0.00	0.07	0.00	0.00	12.71
(b) Undisputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
(c) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(d) Disputed Trade Receivables - considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
Total	12.64	0.00	0.07	0.00	0.00	12.71
Add: Unbuild Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total	12.64	0.00	0.07	0.00	0.00	12.71



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DETAILS OF RELATED PARTY TRANSACTION AS RESTATED

ANNEXURE - XXXIII
(₹ In Lakhs)

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the year ended December 31, 2023	Amount outstanding as on December 31, 2023 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2023	Amount outstanding as on March 31, 2023 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2021	Amount outstanding as on March 31, 2021 (Payable)/ Receivable
Mr. Rambhadr Thakur	Director	Remuneration	7.20	-	3.80	(0.48)	5.40	-
		Reimbursement of Expenses	4.18	-	-	-	-	-
		Reimbursement of Expenses Paid	4.18	-	-	-	-	-
		Advance given	-	-	-	-	-	-
		Advance Repaid	-	-	-	-	-	-
		Loan Taken	43.39	(0.84)	50.00	38.13	2.92	(4.80)
Gayatri Thakur	Director	Loan Repaid	115.59	-	12.18	30.51	1.51	-
		Remuneration	6.78	-	6.66	4.80	5.40	-
		Reimbursement of Expenses	0.30	-	-	-	0.61	-
		Reimbursement of Expenses Paid	0.30	-	-	-	0.61	-
		Advance given	-	1.03	-	-	-	-
		Advance Repaid	-	-	-	32.66	-	-
Mr. Yashwant Thakur	Non Executive Director	Loan Taken	8.63	(5.90)	-	-	4.20	(3.45)
		Loan Repaid	3.30	-	-	-	3.77	-
		Remuneration	3.30	-	3.12	-	2.06	-
		Reimbursement of Expenses	6.60	-	2.93	-	-	-
		Reimbursement of Expenses Paid	6.60	-	2.93	-	-	-
		Advance given	-	-	-	-	-	-
		Advance Repaid	-	-	-	-	-	-
		Loan Taken	-	-	-	3.14	-	0.30
			-	-	-	3.14	-	0.30



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DISCLOSURE UNDER AS-15 AS RESTATED

ANNEXURE - XXXIV

A. DEFINED CONTRIBUTION PLAN

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Employers' Contribution to Provident Fund and ESIC	0.92	0.30	0.19	0.29

B. DEFINED BENEFIT OBLIGATION

1) Gratuity

The gratuity benefit payable to the employees of the Company is as per the provisions of the Payment of Gratuity Act, 1972, as amended. Under the gratuity plan, every employee who has completed at least 5 years of service gets gratuity on separation or at the time of superannuation calculated for equivalent to 15 days salary for each completed year of service calculated on last drawn basic salary. The Company does not have a funded plan for gratuity liability.

I. ASSUMPTIONS:	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount Rate	7.20%	7.20%	5.15%	4.25%
Salary Escalation	10.00%	10.00%	10.00%	10.00%
Withdrawal Rates	30.00%	30.00%	30.00%	30.00%
Mortality Table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement Age	U/Lt.	U/Lt.	U/Lt.	U/Lt.

II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION:	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Present Value of Benefit Obligation as at the beginning of the year	2.36	1.55	1.59	0.43
Current Service Cost	0.95	0.71	1.09	0.53
Interest Cost	0.13	0.08	0.07	0.02
(Benefit paid)	0.00	0.00	0.00	0.00
Actuarial (gains)/losses	(0.66)	0.02	(1.20)	0.61
Present value of benefit obligation as at the end of the year	2.78	2.36	1.55	1.59

III. ACTUARIAL GAINS/LOSSES:	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Actuarial (gains)/losses on obligation for the year	(0.66)	0.02	(1.20)	0.61
Actuarial (gains)/losses on asset for the year	0.00	0.00	0.00	0.00
Actuarial (gains)/losses recognized in income & expenses Statement	(0.66)	0.02	(1.20)	0.61



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DISCLOSURE UNDER AS-15 AS RESTATED

ANNEXURE - XXXIV

IV. EXPENSES RECOGNISED	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Current service cost	0.95	0.71	1.09	0.53
Interest cost	0.13	0.08	0.07	0.02
Actuarial (gains)/losses	(0.66)	0.02	(1.20)	0.61
Expense charged to the Statement of Profit and Loss	0.42	0.81	(0.04)	1.16

V. BALANCE SHEET RECONCILIATION:	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Opening net liability	2.36	1.55	1.59	0.43
Expense as above	0.42	0.81	(0.04)	1.16
(Benefit paid)				
Net liability/(asset) recognized in the balance sheet	2.78	2.36	1.55	1.59

VI. EXPERIENCE ADJUSTMENTS	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
On Plan Liability (Gains)/Losses	0.00	0.00	0.00	0.00

VII. The estimates of rate of salary increase considered in the actuarial valuation takes into account inflation, seniority, promotion and all other relevant factors including supply and demand in the employment market.



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

DETAILS OF ACCOUNTING RATIOS AS RESTATED

ANNEXURE - XXXV
(₹ In Lakhs, except per share data and ratios)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Restated Profit after Tax as per Profit & Loss Statement (A)	74.50	58.79	27.33	12.85
Tax Expense (B)	28.49	22.72	10.43	4.88
Depreciation and amortization expense (C)	9.95	9.80	5.76	3.31
Interest Cost (D)	18.78	23.08	16.19	14.59
Weighted Average Number of Equity Shares at the end of the Year (Pre Bonus) (E-1)	2,625,405	217,000	139,427	100,000
Weighted Average Number of Equity Shares at the end of the Year (Post Bonus) (E-2)	2,625,405	1,844,500	1,185,130	850,000
Number of Equity Shares outstanding at the end of the Year (F)	2,688,210	217,000	217,000	100,000
Nominal Value per Equity share (₹) (G)	10.00	10.00	10.00	10.00
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	315.73	156.86	98.07	32.26
Current Assets (I)	636.73	392.80	281.28	167.49
Current Liabilities (J)	363.36	281.42	206.14	120.02
Earnings Per Share - Basic & Diluted ^{1 & 2} (₹) (Pre Bonus)	2.84	27.09	19.60	12.85
Earnings Per Share - Basic & Diluted ^{1 & 2} (₹) (Post Bonus)	2.84	3.19	2.31	1.51
Return on Net Worth ^{1 & 2} (%)	23.60%	37.48%	27.87%	39.83%
Net Asset Value Per Share ² (₹)	11.74	72.29	45.19	32.26
Current Ratio ¹	1.75	1.40	1.36	1.40
Earning before Interest, Tax and Depreciation and Amortization ¹ (EBITDA)	131.72	114.39	59.71	35.63

Notes -

1. Ratios have been calculated as below:

Earnings Per Share (₹) (EPS) : $\frac{A}{E}$

Return on Net Worth (%): $\frac{A}{H}$

Net Asset Value per equity share (₹): $\frac{H}{F}$

Current Ratio: $\frac{I}{J}$

Earning before Interest, Tax and Depreciation and Amortization (EBITDA): $A + (B+C+D)$

2. Ratios are not annualised.



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

STATEMENT OF TAX SHELTERS

ANNEXURE - XXXVI
(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax as per books (A)	102.99	81.51	37.76	17.73
Income Tax Rate* (%)	26.00%	26.00%	26.00%	26.00%
MAT Rate* (%)	15.60%	15.60%	15.60%	15.60%
Tax at notional rate on profits	26.78	21.19	9.82	4.61
Adjustments :				
Permanent Differences(B)				
<i>Expenses disallowed under Income Tax Act, 1961</i>				
- Fines & penalty	0.28	1.51	0.39	0.75
- Donation	4.01	1.47	0.00	0.00
- Interest on TDS & Income Tax	1.51	2.82	1.75	0.24
Disallowance under section 36				
- EPF Employee Share	0.65	0.00	0.00	0.00
- ESI Employee Share	0.15	0.07	0.04	0.05
Total Permanent Differences(B)	6.60	5.87	2.18	1.04
Income considered separately (C)				
Interest Income	0.00	(0.01)	(0.46)	(0.22)
Total Income considered separately (C)	0.00	(0.01)	(0.46)	(0.22)
Timing Differences (D)				
Depreciation as per Companies Act, 2013	9.95	9.80	5.76	3.31
Depreciation as per Income Tax Act, 1961	(11.53)	(11.16)	(6.45)	(5.24)
Lease Equalisation Reserve	(0.20)	(0.57)	0.53	0.33
Gratuity	0.42	0.81	(0.05)	1.16
Total Timing Differences (D)	(1.36)	(1.12)	(0.21)	(0.44)
Net Adjustments E = (B+C+D)	5.24	4.74	1.51	0.38
Tax expense / (saving) thereon	1.36	1.23	0.39	0.10
Income from Other Sources				
Interest Income	0.00	0.01	0.46	0.22
Income from Other Sources (H)	0.00	0.01	0.46	0.22
Set-off from Brought Forward Losses (I)	0.00	0.00	0.00	0.00
Taxable Income/(Loss) as per Income Tax (A+E+F+G)	108.23	86.26	39.73	18.33
Set-off from Brought Forward Losses for MAT (G)	0.00	0.00	0.00	0.00
Taxable Income/(Loss) as per MAT (A+G)	102.99	81.51	37.76	17.73
Income Tax as returned/computed	28.14	22.43	10.33	4.77
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal

*The Company has not opted for income tax rates specified under section 115BAA of Income Tax Act, 1961.



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS

DETAILS OF CONTINGENT LIABILITIES & COMMITMENTS AS RESTATED

ANNEXURE - XXXVII

(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I. Contingent Liabilities				
(a) claims against the company not acknowledged as debt;	-	-	-	-
(b) guarantees excluding financial guarantees; and	-	-	-	-
(c) other money for which the company is contingently liable	-	-	-	-
II. Commitments				
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-	-
(c) other commitments	-	-	-	-

RESTATED VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN

ANNEXURE - XXXVIII

(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	₹	₹	₹	₹
(a) Raw Material	-	-	-	-
(b) Components and spare parts	-	-	-	-
(c) Capital goods	-	-	-	-

EXPENDITURE IN FOREIGN CURRENCY DURING THE FINANCIAL YEAR AS RESTATED :

ANNEXURE - XXXIX

(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	₹	₹	₹	₹
(a) Royalty	-	-	-	-
(b) Know-How	-	-	-	-
(c) Professional and consultation fees	-	-	-	-
(d) Interest	-	-	-	-
(e) Purchase of Components and spare parts	-	-	-	-
(f) Others	-	-	-	-

EARNINGS IN FOREIGN EXCHANGE AS RESTATED:

ANNEXURE - XL

(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	₹	₹	₹	₹
(a) Export of goods calculated on F.O.B. basis	-	-	-	-
(b) Royalty, know-how, professional and consultation fees	-	-	-	-
(c) Interest and dividend	-	-	-	-
(d) Other income	-	-	-	-



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS

DUES OF SMALL ENTERPRISES AND MICRO ENTERPRISES AS RESTATED

ANNEXURE - XII
(₹ In Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	₹	₹	₹	₹
(a) Dues remaining unpaid to any supplier at the end of each accounting year				
-Principal	-	-	-	-
-Interest on the above	-	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:	-	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006:	-	-	-	-
(d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006:	-	-	-	-

Note : Based on the information available with the Company, there are no dues to Small and Micro enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS

ADDITIONAL REGULATORY INFORMATION AS PER PARA Y OF SCHEDULE III TO COMPANIES ACT, 2013:

ANNEXURE - XLII

- i. The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
- ii. The Company has not revalued its Property, Plant and Equipment.
- iii. The Company has not granted loans or advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
 - (a) repayable on demand or
 - (b) without specifying any terms or period of repayment.
- iv. The Company does not have any capital work-in-progress.
- v. The Company does not have any intangible assets under development.
- vi. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- vii. The Company has borrowings or sanctioned working capital limit from banks or financial institution on the basis of security of current assets. Accordingly quarterly returns or statements of current assets are required to be filed by the company with banks or financial institution. The Company has not filed such statement with the bank or financial institutions.
- viii. The company is not declared as wilful defaulter by any bank or financial institution or other lender.
- ix. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- x. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- xi. The company does not have any investments and hence, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- xii. Significant Accounting Ratios:

Ratio	For the Period ended December 31, 2023	For the year ended March 31, 2023	Variation (%)
(a) Current Ratio	1.75	1.40	25.55%
(b) Debt-Equity Ratio	0.27	0.32	(16.89%)
(c) Debt Service Coverage Ratio	0.65	0.60	7.44%
(d) Return on Equity Ratio	31.53%	66.12%	(31.64%)
(e) Inventory turnover ratio	1.66	3.11	(46.79%)
(f) Trade Receivables turnover ratio	6.91	13.11	(47.25%)
(g) Trade payables turnover ratio	6.86	10.89	(37.00%)
(h) Net capital turnover ratio	5.99	12.96	(53.93%)
(i) Net profit ratio	6.49%	4.86%	33.34%
(j) Return on Capital employed	23.43%	30.12%	(22.22%)
(k) Return on investment	0.00%	0.00%	0.00%

Reasons for Variation more than 25%: Since, comparative period is full financial year, hence, not comparable.

Ratio	For the year ended March 21, 2023	For the year ended March 31, 2022	Variation (%)
(a) Current Ratio	1.40	1.30	2.29%
(b) Debt-Equity Ratio	0.32	0.54	(40.54%)
(c) Debt Service Coverage Ratio	0.69	0.40	48.43%
(d) Return on Equity Ratio	0.48	0.43	9.97%
(e) Inventory turnover ratio	3.11	5.25	(40.68%)
(f) Trade Receivables turnover ratio	13.11	24.37	(46.23%)
(g) Trade payables turnover ratio	10.89	14.74	(26.09%)
(h) Net capital turnover ratio	12.96	17.74	(26.93%)
(i) Net profit ratio	4.86%	2.51%	93.52%
(j) Return on Capital employed	30.12%	21.97%	37.10%
(k) Return on investment	0.00%	0.00%	0.00%

Reasons for Variation more than 25%:

- (a) Debt-Equity Ratio: Ratio is improved mainly due to decrease in borrowings with increase in equity due to good profits during the year.
- (b) Debt Service Coverage Ratio: Ratio is improved mainly due to good profits during the year.
- (c) Return on Equity Ratio: Ratio is improved mainly due to good profits during the year.
- (d) Inventory turnover ratio: Ratio is increased mainly due to increase in average inventory.
- (e) Trade payable turnover ratio: Ratio is decreased mainly due to decrease in expenses.
- (f) Net capital turnover ratio: Ratio is improved mainly due to good profits during the year.
- (g) Net profit ratio: Ratio is improved mainly due to increase in operating margins during the year.
- (h) Return on Capital employed: Ratio is improved mainly due to good profits during the year.



HOAC FOODS INDIA LIMITED
(Formerly Known as HOAC FOODS INDIA PRIVATE LIMITED)
CIN: U15120DL2018PLC330739

ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS

Ratio	For the year ended March 31, 2022	For the year ended March 31, 2021	Variation (%)
(a) Current Ratio	1.36	1.40	(2.22%)
(b) Debt-Equity Ratio	0.54	1.67	(67.80%)
(c) Debt Service Coverage Ratio	0.40	0.28	45.52%
(d) Return on Equity Ratio	0.42	0.50	(15.68%)
(e) Inventory turnover ratio	5.23	5.88	0.00%
(f) Trade Receivables turnover ratio	24.37	65.50	(62.70%)
(g) Trade payables turnover ratio	14.74	17.03	(13.47%)
(h) Net capital turnover ratio	17.74	20.45	(13.26%)
(i) Net profit ratio	2.51%	1.77%	45.20%
(j) Return on Capital employed	21.97%	20.16%	8.99%
(k) Return on investment	0.00%	0.00%	0.00%

Reasons for Variation more than 25%

- (a) Debt-Equity Ratio : Ratio is decrease mainly due to repayment of borrowings with increase in equity due to good profits during the year.
 (b) Debt Service Coverage Ratio : Ratio is improved mainly due to good profits during the year.
 (c) Trade Receivables turnover ratio : Ratio is increased mainly due to increase in turnover.
 (d) Trade payable turnover ratio : Ratio is increased mainly due to increase in expenses.
 (e) Net capital turnover ratio : Ratio is improved mainly due to good profits during the year.
 (f) Net profit ratio : Ratio is decrease mainly due to increase in operating expenses during the year.

xiii. The Company does not have any scheme of arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

- xiv. A. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 B. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

CAPITALISATION STATEMENT AS AT December 31, 2023

ANNEXURE - XLIII
(₹ In Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	120.14	-
Long Term Debt (B)	83.91	-
Total debts (C)	204.05	-
Shareholders' funds		
Share capital	268.82	-
Reserve and surplus - as Restated	46.91	-
Total shareholders' funds (D)	315.73	-
Long term debt / shareholders funds (B/D)	0.27	-
Total debt / shareholders funds (C/D)	0.65	-

Signatures to Annexures Forming Part Of The Restated Financial Statements

For Krishna Rakesh & Co.
Chartered Accountants
FIR : 009058N

K. K. Gupta
Partner
Mem No.: 667891

Place : New Delhi
Date : 16-02-2024



For and on behalf of the Board of Directors of
HOAC Foods India Limited

Ranbahu Thakur

Ranbahu Thakur
(Managing Director)
DIN : 08054215

Place : New Delhi
Date : 16-02-2024

Yashwant Thakur

Yashwant Thakur
(Director)
DIN : 10351322

Mansh Sharma

Mansh Sharma
(CFO)

Himanshu Agarwal

Himanshu Agarwal
(Company Secretary)

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the nine months period ended December 31, 2023, and as at and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021, together with all annexures, schedules and notes thereto (“**Audited Financial Statements**”) are available at www.hoacfoodsindia.com. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any BRLM, nor any of their respective employees, directors, shareholders, affiliates, agents, advisors or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein. The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(In Lakhs)

Particulars	December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Basic earnings per share ¹ (in ₹)	2.84	3.19	2.31	1.51
Diluted earnings per share ² (in ₹)	2.84	3.19	2.31	1.51
EBITDA ³ (in ₹ lakhs)	131.72	114.39	59.71	35.63
Net worth ⁴ (in ₹ lakhs)	315.73	156.86	98.07	32.26
Return on net worth ⁵ (%)	23.60	37.48	27.87	39.83
Net asset value per Equity Share ⁶ (in ₹)	11.74	72.29	45.19	32.26

Notes:

1) *Basic Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of equity shares outstanding during the year; read with note 1 above*

2) *Diluted Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of diluted equity shares outstanding during the year; read with note 1 above*

3) *Earning before interest, tax, depreciation and amortisation (EBITDA) = Restated profit/(loss) for the respective year + tax expenses + finance costs + depreciation and amortisation.*

4) *‘Net worth’: Share capital and other equity less capital reserves. Net worth has been computed as a sum of Equity share capital and other equity less capital reserves.*

5) *Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year*

6) *Net Asset Value per Equity Share = Net worth less preference share capital derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of year as per Restated Financial Statements after adjustment for Bonus Shares issued during the year.*

7) *The figures disclosed above are based on the Restated Financial Statements.*

STATEMENT OF FINANCIAL INDEBTEDNESS

Our Company has availed certain loans and financing facilities in the ordinary course of our business purposes such as, inter alia, meeting our working capital or operational requirements for details regarding the borrowing powers of our Board, please refer to the section titled “Our Management –Borrowing powers of the Board” on page 133.

Set forth below is a brief summary of our aggregated outstanding borrowings of our Company as on December 31, 2023

Name of lenders & documents entered	Nature of Loan Facility	Amount Sanctioned (Rs. In Lakhs)	Amount Disbursed (Rs. In Lakhs)	Date of First Disbursal	Amount Outstanding as on 31 December 2023 (Rs. In Lakhs)	Rate of Interest (%)	Security	Repayment Schedule
HDFC BANK	Vehicle Loan	5.77	5.77	05-02-2022	3.22	7.50% p.a.	Tata Ace	Repayable in 48 Equated monthly installments
Yes Bank	Term Loan	30.00	30.00	13-04-2022	15.02	16.50% p.a.	Unsecured	Repayable in 36 Equated monthly installments
Godrej Capital Company	Term Loan	25.00	25.00	29-05-2023	25.00	19.00% p.a.	Unsecured	Loan Tenure is of 48 months, including moratorium period of 12 months for principal amount. Principal is repayable in 36 Equated monthly installments
AU Small Finance Bank Ltd	Working Capital Loan	115.00	115.00	23-05-2023	78.21	11.00% p.a.	Such Overdraft facility is secured by Hypothecation of Stock and Book Debts	Repayable on Demand
Axis Bank	Vehicle Loan	22.00	22.00	30-05-2023	20.54	9.30% p.a.	Mahindra Scorpio N	Repayable in 84 Equated monthly installments
Axis Bank	Vehicle Loan	7.66	7.66	16-09-2023	7.26	9.90% p.a.	Tata Ace	Repayable in 47 Equated monthly installments
Cholamandalam	Term Loan	20.00	20.00	31-05-2023	18.20	17.20% p.a.	Unsecured	Repayable in 48 Equated monthly installments
IDFC First Bank	Term Loan	35.70	35.70	31-05-2023	30.87	16.00% p.a.	Unsecured	Repayable in 36 Equated monthly installments

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW

Our Company was originally incorporated with the name as "Hoac MP Atta Spices Manufacture Private Limited" a private limited company on March 13, 2018 under the Companies Act, 2013, with Registrar of Companies, Delhi bearing registration number 330739. Thereafter, the company name was changed to 'Hoac Foods India Private Limited' dated November 03, 2021. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed by our Shareholders at an Extraordinary general meeting held on October 13, 2023 and consequently the name of our Company was changed to 'Hoac Foods India Limited' and a fresh certificate of incorporation dated 30th October, 2023 was issued by the Registrar of Companies, Delhi at New Delhi.

We have consistently grown in terms of our revenues over the past years. In the past three (3) years our revenues from operation were Rs.742.26 lakhs in F.Y. 2020-21, Rs.1,087.27 lakhs in F.Y.2021-22 and Rs. 1,208.56 lakhs in the FY 2022-23. Our Net Profit after tax for the above-mentioned periods are Rs.12.85 lakhs, Rs.27.33 lakhs and Rs.58.79 lakhs respectively.

Factors contributing to the growth of our Revenue:

1. For FY 2020-21 the following were the factors that contributed to growth of our revenue:

Organic Growth in Existing Product Lines:

Our revenue from operations saw substantial expansion, increasing from ₹628.56 lakhs in FY 2019-20 to ₹742.26 lakhs in FY 2020-21. This growth was primarily attributed to the successful realization of organic opportunities within our current product offerings, particularly in the sale of wheat and related products, as well as the thriving market for packed spices.

Diversification through New Product Launches:

In addition to capitalizing on the organic growth in our existing lines, we strategically introduced new combinations of spices. Notably, the launch of Sambhar masala, Chana masala, and Multigrain Atta contributed significantly to the overall growth in revenue from operations. This diversification allowed us to tap into emerging market demands and broaden our product portfolio.

Expansion through Franchise Ownership:

As part of our growth strategy, we expanded our presence by inaugurating a new franchise-owned outlet, Neelam Enterprises, located in Sector-49, Gurugram during the Financial Year 2021. This expansion initiative contributed to increased visibility and accessibility, playing a pivotal role in the overall revenue surge.

2. For FY 2021-22 the following were the factors that contributed to growth of our revenue:

Significant Surge in Revenue from Operations:

Our revenue from operations surged from ₹742.26 lakhs in FY 2020-21 to ₹1,087.27 lakhs in FY 2021-22, reflecting an impressive growth of almost 46.48%. This substantial increase was primarily attributed to the heightened growth traction observed in our existing product portfolios, which were initially launched in FY 2019-20.

Expansion of Company Outlets:

During FY 2021-22, we strategically increased our market presence by opening four new outlets. Among these, one was a company-owned outlet, and three were franchise-owned outlets. The new outlets included Ashok Flour Mill, Delicious, and Neelam Enterprises (located in Sec-69, Gurugram).

3. For FY 2022-23 the following were the factors that contributed to growth of our revenue:

Steady Revenue Increase:

Our revenue from operations experienced a positive trajectory, escalating from ₹1,087.27 lakhs in FY 2021-22 to ₹1,208.56 lakhs in FY 2022-23, marking a substantial growth of almost 11.16%. This noteworthy increase was primarily a result of strategic expansions in our business operations.

Strategic Addition of Franchise Outlets:

A factor contributing to our revenue increase was the addition of new franchise outlets, namely Farm2Home and Syna Foods. The establishment of these outlets played an important role in diversifying our market presence and capturing the growth potential in previously unexplored markets.

FINANCIAL KPIs OF THE COMPANY:

Particulars	For the period ended 31 st December, 2023	For the year ended March 31		
		2023	2022	2021
Revenue from Operations (₹ in Lakhs)	1,148.59	1,208.56	1,087.27	742.26
Growth in Revenue from Operations (%)		11.16%	46.48%	18.13%
Other Income (₹ in Lakhs)	6.12	10.49	6.76	4.02
Total Income (₹ in Lakhs)	1,154.71	1,219.05	1,094.03	746.28
EBITDA (₹ in Lakhs)	131.72	114.39	59.71	35.63
EBITDA Margin (%)	11.41%	9.38%	5.46%	4.77%
Profit After Tax (₹ in Lakhs)	74.50	58.79	27.33	12.85
PAT Margin (%)*	6.49%	4.86%	2.51%	1.73%
ROE (%)	23.60%	37.48%	27.87%	39.83%
ROCE (%)	23.43%	30.12%	21.97%	20.16%

* EBITDA margin is calculated as EBITDA as a percentage of total income and PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.

FACTORS AFFECTING OUR RESULT OF OPERATIONS

Except as otherwise stated in this Draft Prospectus and the Risk Factors given in the Draft Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

- *COVID-19 Pandemic;*
- *Natural Calamities e.g. Tsunami*
- *Global GDP growth and seaborne trade growth*
- *Prevailing commercial freight rates;* ➤ *Changes in laws or regulations*
- *Political Stability of the Country;*
- *Competition from existing players;*
- *Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;*
- *Any failure to comply with the financial and restrictive covenants under our financing arrangements;*
- *Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;*
- *Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;*
- *Occurrence of Environmental Problems & Uninsured Losses;*
- *Conflicts of interest with affiliated companies, the promoter group and other related parties;*
- *The performance of the financial markets in India and globally;*
- *Our ability to expand our geographical area of operation;*
- *Concentration of ownership among our Promoters.*

Significant Developments after December 31st, 2023 that may affect our Future Results of Operations

The Directors confirm that there have been no other events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the business or profitability of our Company or the value of our assets, or our ability to pay liabilities within next twelve months.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting and Preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at December 31, 2023, March 31, 2023, March 31, 2022 and 2021 and the related restated summary statement of profits and loss and cash flows for the year/period ended December 31, 2023, March 31, 2023, March 31, 2022 and 2021 (herein collectively referred to as ("Restated Summary Statements")) have been compiled by the management from the audited Financial Statements of the Company for the year/period ended on December 31, 2023, March 31, 2023, March 31, 2022 and 2021 approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the National Stock Exchange of India Limited in connection with its proposed SME IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

b) Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c) Property, Plant & Equipment And Intangible Assets

(i) Property, Plant & Equipment

All Property, Plant & Equipment are recorded at cost including taxes, duties, freight and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

(ii) Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

d) Depreciation / Amortization:

Depreciation on fixed assets is calculated on a Straight Line method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. Individual assets cost of which doesn't exceed Rs. 5,000/- each are depreciated in full in the year of purchase. Intangible assets including internally developed intangible assets are amortised over the year for which the company expects the benefits to accrue. Intangible assets are amortized on straight line method basis over 10 years in pursuance of provisions of AS-26.

e) Inventories:

Inventories comprises of Raw Material and Finished Goods. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

f) Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

g) Investments:

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis. Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment. Cost of investments sold is arrived using average method.

h) Foreign Currency Translations:

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognized in Profit & Loss Account in the year in which it arises.

i) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

j) Provisions, Contingent Liabilities and Contingent Assets:

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

k) Revenue Recognition

Revenue is Recognised only when significant risk and rewards of ownership has been transferred to the buyer and it can be reliably measured and its reasonable to expect ultimate collection of it. Gross sales are of net trade discount, rebates, sales taxes and excise duties.

Revenue from services is recognized, when services have been performed as per terms of contract, amount can be measured and there is no significant uncertainty as to collection. The Company adopts accrual concepts in preparation of accounts. Claims /Refunds not ascertainable with reasonable certainty are accounted for, on final settlement.

l) Other Income

Interest Income on fixed deposit is recognized on time proportion basis. Other Income is accounted for when right to receive such income is established.

m) Taxes on Income

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – “Accounting for taxes on income”, notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax. Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

n) Cash And Bank Balances

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition),

highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance (with original maturity is more than three months but less than twelve months).

O) Earnings Per Share

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

p) Employee Benefits

Defined Contribution Plan:

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

Defined Benefit Plan:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. Provision for gratuity has been made in the books as per actuarial valuation done as at the end of the year.

q) Segment Reporting

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

RESULTS OF OUR OPERATIONS

(Amount ₹ in lakhs)

Particulars	For the period ended 31 st December, 2023	% of Total**	For the year ended 31 st March, 2023	% of Total**	For the year ended 31 st March, 2022	% of Total**	For the year ended 31 st March, 2021	% of Total**
INCOME								
Revenue from Operations	1,148.59	99.47%	1,208.56	99.14%	1,087.27	99.38%	742.26	99.46%
Other Income	6.12	0.53%	10.49	0.86%	6.76	0.62%	4.02	0.54%
Total Revenue (A)	1,154.71	100.00%	1,219.05	100.00%	1,094.03	100.00%	746.28	100.00%
EXPENDITURE								
Cost of material consumed	607.37	52.60%	605.31	49.65%	629.48	57.54%	447.49	59.96%
Purchase of Stock in Trade	304.38	26.36%	280.74	23.03%	232.28	21.23%	144.74	19.39%
Changes In Inventories	(130.19)	-11.27%	(55.17)	-4.53%	(35.59)	-3.25%	(44.10)	-5.91%
Employee benefits expense	95.29	8.25%	100.63	8.25%	58.83	5.38%	55.35	7.42%
Finance costs	25.03	2.17%	28.95	2.37%	20.15	1.84%	22.41	3.00%
Depreciation and amortization expense	9.95	0.86%	9.80	0.80%	5.76	0.53%	3.31	0.44%
Other expenses	139.89	12.11%	167.28	13.72%	145.36	13.29%	99.35	13.31%
Total Expenses (B)	1,051.72	91.08%	1,137.54	93.31%	1,056.27	96.55%	728.55	97.62%
Profit/(Loss) before Tax	102.99	8.92%	81.51	6.69%	37.76	3.45%	17.73	2.38%
Tax Expense/ (benefit)								
(a) Current Tax Expense	28.14	2.44%	22.43	1.84%	10.33	0.94%	4.77	0.64%
(b) Deferred Tax	0.35	0.03%	0.29	0.02%	0.10	0.01%	0.11	0.01%
Net tax expense / (benefit)	28.49	2.47%	22.72	1.86%	10.43	0.95%	4.88	0.65%
Profit/(Loss) for the year	74.50	6.45%	58.79	4.82%	27.33	2.50%	12.85	1.72%

**Total refers to Total Revenue

Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operation as a percentage of our total income was 99.47%, 99.14%, 99.38% and 99.46% for the period ended December 31, 2023 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively.

(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Goods				
- Sale of Product and services	1,148.59	1,208.56	1,087.27	742.26
TOTAL	1,148.59	1,208.56	1,087.27	742.26

Other Income

Our Other Income primarily consists of Interest Income, Discounts Received, Other non-operating income, miscellaneous receipts, etc.

(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income on FD	0.00	0.00	0.46	0.22
Interest on Income Tax Refund	0.00	0.01	0.00	0.00
Provision for Gratuity Written Back	0.00	0.00	0.05	0.00
Discount Received	6.12	5.60	6.06	3.77
Asset Written off	0.00	0.00	0.19	0.00
Freight Income	0.00	4.14	0.00	0.00
Other Non-Operating Income	0.00	0.00	0.00	0.03
Misc Receipts	0.00	0.74	0.00	0.00
TOTAL	6.12	10.49	6.76	4.02

Expenditure

Our total expenditure primarily consists of Cost of Material Consumed, Purchase of Stock-in-Trade, Employee benefit expenses, Finance costs, Depreciation & Amortization Expenses and Other Expenses.

Direct Expenses

Our direct expenses comprise primarily of Cost of Raw Material consumed, Purchase of stock-in-trade and Changes in Inventories.

Employee Benefit Expenses

Our employee benefits expense comprises of Salary and Allowances to Staff, Director's Remuneration, Employer's Contribution to PF & ESIC, Gratuity expense, Staff Welfare expenses.

Finance costs

Our Finance cost expenses comprises of Banks and FIs Charges, Loan Processing Charges, Interest on Borrowings, Interest on late payments of TDS & Income Tax.

Other Expenses

Other expenses primarily include Auditor's Remuneration, Office Expenses, Freight & Transportation, Bike Rent Expense, Manufacturing Expense, Packing Expense, Selling and Marketing Expense, Communication Expense, Commission Expense, Contractor and Labour Charges, Electricity and Water Expenses, Accounting Expense, Business Promotion Expense, Insurance Charges, Interest on Delayed Payment, Printing and Stationery, Legal and Professional Charges, Rent Shops and Godown, POS Machine Rent, Running Expense, Festival Expenses, Vehicle Running and maintenance Expense, Software Expense, Travelling and Conveyance Expenses, Sundry Balances Written off, Repair & Maintenance Expenses, Income tax Demand expense, Discount, Donation, General & Miscellaneous Expenses, Late Filing Fees, Roc Charges, Legal Fees.

(₹ In Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Auditor's Remuneration	0.00	0.30	0.30	0.30
Office Expenses	0.00	2.89	6.43	2.42
Freight & Transportation	8.92	10.16	2.56	6.00
Bike Rent Expense	0.00	3.58	0.00	0.00
Manufacturing Expense	7.90	0.00	0.00	0.00
Packing Expense	23.11	31.41	26.06	16.51
Selling and Marketing Expense	6.35	1.46	4.09	3.23
Communication Expense	0.41	1.48	1.26	0.65
Commission Expense	2.50	1.12	0.00	0.00
Contractor and Labour Charges	0.00	2.81	11.79	2.68
Electricity and Water Expenses	14.97	13.39	15.95	13.90
Accounting Expense	0.00	0.00	0.30	0.30
Business Promotion Expense	5.43	5.61	4.37	1.45
Insurance Charges	1.63	0.91	0.11	0.18
Interest on Delayed Payment	0.71	0.00	0.00	0.00
Printing and Stationery	0.92	2.32	2.68	1.85
Legal and Professional Charges	10.66	3.74	2.11	1.55
Rent Shops and Godown	28.79	58.49	47.78	30.54
POS Machine Rent	0.00	0.54	0.37	0.34
Running Expense	0.00	3.40	6.34	6.11
Festival Expenses	0.00	2.67	2.05	2.16
Vehicle Running and maintenance Expense	0.00	0.08	2.20	2.00
Software Expense	1.03	0.65	0.38	3.39
Travelling and Conveyance Expenses	0.72	8.67	2.39	0.16
Sundry Balances Written off	2.55	0.00	0.00	0.00
Repair & Maintenance Expenses	8.95	8.26	3.90	0.93
Income tax Demand expense	0.00	0.99	0.09	0.00
Discount	0.00	0.01	0.00	0.00
Donation	4.01	1.47	0.00	0.00
General & Miscellaneous Expenses	4.92	0.34	1.55	1.95
Late Filing Fees	0.28	0.53	0.30	0.75
Roc Charges	4.90	0.00	0.00	0.00
Legal Fees	0.23	0.00	0.00	0.00

Total	139.89	167.28	145.36	99.35

Provision for Tax

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

For the period ended December 31st, 2023

Revenue from Operations

For the period ended December 31st, 2023, Revenue from Operations of our company was ₹ 1,148.59 lacs.

Other Income

For the period ended December 31st, 2023, Other Income of our company was ₹ 6.12 lacs.

Total Revenue

For the period ended December 31st, 2023, the total income of our company was ₹ 1,132.60 lacs.

Expenditure

Cost of Material Consumed

For the period ended December 31st, 2023, our company incurred Cost of Raw Material was ₹ 607.37 lacs.

Purchase of Stock-in-Trade

For the period ended December 31st, 2023, our Company incurred for Purchase of Flours, Spices and pulses of ₹ 304.38 lacs.

Changes in Inventories

For the year ended December 31st, 2023, Changes in Inventories was ₹ (130.19) lakhs.

Employee Benefit Expenses

For the period ended December 31st, 2023, our Company incurred for employee benefit expenses ₹ 95.29 lacs.

Finance Costs

The finance costs for the period ended December 31st, 2023 was ₹ 25.03 lacs.

Depreciation & Amortization Expense

Depreciation & Amortization Expense for the period ended December 31st, 2023 was ₹ 9.95 lacs.

Other Expenses

For the period ended December 31st, 2023, our other expenses were ₹ 139.89 lacs.

Profit/ (Loss) before Tax

Our Company had reported a profit before tax for the period ended December 31st, 2023 of ₹ 102.99 lacs

Profit/ (Loss) after Tax

Profit after tax for the period ended December 31st, 2023 was at ₹ 74.50 lacs.

Fiscal 2023 compared with fiscal 2022

Revenue from Operations

The Revenue from Operations of our company for fiscal year 2023 was ₹ 1,208.56 lacs against ₹ 1,087.27 lacs total income for Fiscal year 2022. An increase 11.16% in revenue from operations. This increase was due to opening of two new franchise shops naming Farm2Home and Syna Foods leading to growth in terms of tapping potential in new areas.

Other Income

The other income of our company for fiscal year 2023 was ₹ 10.49 lacs against ₹ 6.76 lacs for Fiscal year 2022. An increase 68.16% in other income. This increase was due to addition of new streamline of revenue i.e., freight income worth ₹4.14 lakhs for a period of approximately 5 months in FY2022-23.

Total Income

The total income of our company for fiscal period 2023 was ₹ 1,219.05 lacs against ₹ 1,094.03 lacs total income for Fiscal period 2022. An increase of 11.43% in total income. This increase was primarily due to addition in number of outlets naming Farm2Home and Syna Foods along with freight income.

Expenditure

Cost of Material Consumed

In Fiscal 2023, our Company incurred cost for materials consumed ₹ 605.31 lacs against ₹ 629.48 lacs expenses in fiscal 2022. A decrease of 3.84%. This decrease was due to price fluctuations in cost of raw materials primarily wheat and mustard.

Purchase of Stock-in-Trade

In Fiscal 2023, our Company incurred for Purchase of Flours, Spices and pulses of ₹ 280.74 lacs against ₹ 232.28 lacs expenses in fiscal 2022. An increase of 20.86%. This increase was due to bulk storage of spices leading to higher purchase cost along with purchase of stock for launching new products like dry fruits.

Changes in Inventories

In Fiscal 2023, Changes in Inventories ₹ (55.17) lakhs against ₹ (35.59) lakhs in fiscal 2022. A change of 55.02%.

Employee Benefit Expenses

In Fiscal 2023, our Company incurred for employee benefit expenses ₹ 100.63 lacs against ₹ 58.83 lacs expenses in fiscal 2022. The increase of 71.05%. This increase was due to addition in number of employees and annual staff appraisals.

Finance Costs

The finance costs for the Fiscal 2023 was ₹ 28.95 lacs while it was ₹ 20.15 lacs for Fiscal 2022. This increase of 43.67% was due to fresh proceeds of borrowings leading to processing charges and increase in interest on borrowings.

Other Expenses

In fiscal 2023, our other expenses were ₹ 167.28 lacs and ₹ 145.36 lacs in fiscal 2022. This increase of 15.08% was due to increase in cost of recurring expenses like Packing expenses and enhancement/addition of new expenses like Freight and Transportation, Bike Rent Expenses, Rent of Shops and Godown, Travelling and Conveyance Expenses, Repair and Maintenance Expenses.

Profit/ (Loss) before Tax

Our Company had reported a profit before tax for the Fiscal 2023 of ₹ 81.51 lacs against profit before tax of ₹ 37.76 lacs in Fiscal 2022, An 115.86% increase. This increase was due to addition of couple of new outlets, increase in other income and optimisation of cost of raw material consumed.

Profit/ (Loss) after Tax

Profit after tax for the Fiscal 2023 was at ₹ 58.79 lacs against profit after tax of ₹ 27.33 lacs in fiscal 2022, An 115.11% increase. This was due to increase in synchronization with the growth in profit/ (loss) before tax.

Fiscal 2022 compared with fiscal 2021***Revenue from Operations***

The Revenue from Operations of our company for fiscal year 2022 was ₹ 1,087.27 lacs against ₹ 742.26 lacs total income for Fiscal year 2021. The increase of 46.48% in revenue from operations. This increase was due to higher growth traction achieved in existing product lines and opening of 4 new outlets out of which 3 were franchise outlets naming i.e., Ashok Flour Mill, Delicious, Neelam Enterprises (in Sec-69, Gurugram).

Other Income

The other income of our company for fiscal year 2022 was ₹ 6.76 lacs against ₹ 4.02 lacs for Fiscal year 2021. An increase 68.16% in other income. This increase was due to increase in discount received on wheat.

Total Income

The total income of our company for fiscal year 2022 was ₹ 1,094.03 lacs against ₹ 746.28 lacs total income for Fiscal year 2021. An increase of 46.60% in total income. This increase was due to increase in growth in revenue from operations because of new outlets and growth in existing products along with other income.

Expenditure**Cost of Material Consumed**

In Fiscal 2022, our Company incurred cost for materials consumed ₹ 629.48 lacs against ₹ 447.49 lacs in fiscal 2021. An increase of 40.67%. This increase is in synchronization with growth in revenue from operations leading to higher consumption of raw material.

Purchase of Stock-in-Trade

In Fiscal 2022, our Company incurred for Purchase of Flours, Spices and pulses of ₹ 232.28 lacs against ₹ 144.74 lacs expenses in fiscal 2021. An increase of 60.48%. This increase was due to increase in quantum of purchase of materials in order to cater to the growth of revenue from existing and new outlets.

Changes in Inventories

In Fiscal 2022, Changes in Inventories ₹ (35.59) lakhs against ₹ (44.10) lakhs in fiscal 2021. A change of (19.30%).

Employee Benefit Expenses

In Fiscal 2022, our Company incurred for employee benefit expenses ₹ 58.83 lacs against ₹ 55.35 lacs expenses in fiscal 2021. An increase of 6.29% was due to increase in minimal shift in number of employees along with staff appraisals.

Finance Costs

The finance costs for the fiscal 2022 was ₹ 20.15 lacs while it was ₹ 22.41 lacs for fiscal 2021. This decrease of 10.08% is due to the processing charges levied on borrowings taken in fiscal year 2021.

Other Expenses

In fiscal 2022, our other expenses were ₹ 145.36 lacs and ₹ 99.35 lacs in fiscal 2021. An increase of 46.31% was due to increase in expenses like office expenses, packing expenses, contractor and labour charges, rent of shops and godown etc. catering to the higher growth of revenue achieved in fiscal year 2022.

Profit/ (Loss) before Tax

Our Company had reported a profit before tax for the Fiscal 2022 of ₹ 37.76 lacs against profit before tax of ₹ 17.73 lacs in Fiscal 2021, An increase of 112.97%. This increase was due to increase in number of outlets and increase in growth potential of existing products leading to high growth in revenue.

Profit/ (Loss) after Tax

Profit after tax for the Fiscal 2022 was at ₹ 27.33 lacs against profit after tax of ₹ 12.85 lacs in fiscal 2021, An Increase of 112.68% is consistent with the growth in profit before tax.

Cash Flows

(Amount ₹ in lakhs)

Particulars	For the period ended 31 December, 2023	For the year ended March 31,		
		2023	2022	2021
Net Cash from Operating Activities	(43.01)	(20.52)	2.21	(26.00)
Net Cash from Investing Activities	(33.51)	(24.22)	(7.49)	(21.88)
Net Cash used in Financing Activities	71.94	18.35	8.79	67.94

Cash Flows from Operating Activities

1. For the period ended December 31, 2023, net cash used in for operating activities was ₹ (43.01) Lakhs. This comprised of the profit before tax of ₹ 102.99 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 9.95 Lakhs and Finance cost of ₹ 25.03 Lakhs, other income of ₹ (6.12) lakhs. The resultant operating profit before working capital changes was ₹ 132.27 Lakhs, which was primarily adjusted for an increase in trade receivables during the year of ₹ 116.43 Lakhs, increase in inventory of ₹ 136.72 lakhs, loans and advances of ₹ 4.64 lakhs, and increase in trade payables ₹ 105.45 Lakhs and decrease in other current liabilities and provisions of ₹ (7.09) Lakhs.

Cash Generated from Operations was ₹ (17.88) Lakhs which was reduced by Direct Tax paid for ₹ (25.13) Lakhs resulting into Net cash flow generated from operating activities of ₹ (43.01) Lakhs.

2. In FY 2023, net cash used in for operating activities was ₹ (20.52) Lakhs. This comprised of the profit before tax of ₹ 81.51 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 9.80 Lakhs and Finance cost of ₹ 28.95 Lakhs, other income of ₹ (10.49) lakhs. The resultant operating profit before working capital changes was ₹ 110.58 Lakhs, which was primarily adjusted for an increase in trade receivables during the year of ₹ 31.42 Lakhs, inventory of ₹ 86.03 lakhs, increase in loans and advances of ₹ 20.46 lakhs, and increase in trade payables ₹ 2.43 Lakhs and increase in other current liabilities and provisions of ₹ 13.59 Lakhs.

Cash Generated from Operations was ₹ (11.31) Lakhs which was reduced by Direct Tax paid for ₹ (9.21) Lakhs resulting into Net cash flow generated from operating activities of ₹ (20.52) Lakhs.

3. In FY 2022, net cash used in for operating activities was ₹ 2.21 Lakhs. This comprised of the profit before tax of ₹ 37.76 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 5.76 Lakhs and Finance cost of ₹ 20.15 Lakhs, other incomes of (6.25) lakhs. The resultant operating profit before working capital changes was ₹ 56.72 Lakhs, which was primarily adjusted for an increase in trade receivables during the year of ₹ 63.80 Lakhs, increase in inventory of ₹ 41.00 lakhs, loans and advances of ₹ 5.68 lakhs, other assets of ₹ (0.20) lakhs, and increase in trade payables ₹ 57.10 Lakhs and increase in other current liabilities and provisions of ₹ 3.22 Lakhs.

Cash Generated from Operations was ₹ 6.76 Lakhs which was reduced by Direct Tax paid for ₹ (4.55) Lakhs resulting into Net cash flow generated from operating activities of ₹ 2.21 Lakhs.

4. In FY 2021, net cash used in for operating activities was ₹ (26.00) Lakhs. This comprised of the profit before tax of ₹ 17.73 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 3.31 Lakhs and Finance cost of ₹ 22.41 Lakhs, other income of ₹ (3.80) lakhs. The resultant operating profit before working capital changes was ₹ 40.59 Lakhs, which was primarily adjusted for an increase in trade receivables during the year of ₹ 2.76 Lakhs, increase

in inventory of ₹ 48.14 lakhs, increase in loans and advances of ₹ 5.36 lakhs, increase in other assets of ₹ 0.20 lakhs, and decrease in trade payables ₹ 1.67 Lakhs and increase in other current liabilities and provisions of ₹ 6.45 Lakhs.

Cash Generated from Operations was ₹ (24.00) Lakhs which was reduced by Direct Tax paid for ₹ (2.01) Lakhs resulting into Net cash flow generated from operating activities of ₹ (26.00) Lakhs.

Cash Flows from Investment Activities

1. For the period ended December 31, 2023, net cash used in investing activities was ₹ (33.51) Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment of ₹ 39.63 Lakhs, receipt of other income of 6.12 lakhs.

2. In FY 2023, net cash used in investing activities was ₹ (24.22) Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment of ₹ 34.71 Lakhs, receipt of other income of 10.49 lakhs.

3. In FY 2022, net cash used in investing activities was ₹ (7.49) Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment of ₹ 18.71 Lakhs, sale of property, plant, and equipment of ₹ 4.51 lakhs receipt of interest income and other income of ₹ 0.46 lakhs and 6.25 lakhs respectively.

4. In FY 2021, net cash used in investing activities was ₹ (21.88) Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment of ₹ 25.90 Lakhs, receipt of interest income and other income of 0.22 lakhs and 3.80 lakhs respectively.

Cash Flows from Financing Activities

1. For the period ended December 31, 2023, net cash generated from financing activities was ₹ 71.94 Lakhs, which predominantly comprised of proceeds from issue of share capital of ₹ 84.37 lakhs, Increase in borrowings of ₹ 13.67 Lakhs, and payment of finance cost of ₹ 25.03 Lakhs.

2. In FY 2023, net cash generated from financing activities was ₹ 18.35 Lakhs, which predominantly comprised of Increase in borrowings of ₹ 42.88 Lakhs, and payment of finance cost of ₹ 28.95 Lakhs.

3. In FY 2022, net cash generated from financing activities was ₹ 8.79 Lakhs, which predominantly comprised of repayment of borrowings of ₹ 19.42 Lakhs, proceeds from issue of share capital of ₹ 38.48 lakhs, grant of loans and advances of ₹ 28.96 lakhs and payment of finance cost of ₹ 20.15 Lakhs.

4. In FY 2021, net cash generated from financing activities was ₹ 67.69 Lakhs, which predominantly comprised of repayment of borrowings of ₹ 93.94 Lakhs, grant of loans and advances of ₹ 3.84 lakhs and payment of finance cost of ₹ 22.41 Lakhs.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except COVID-19 or any such kind of pandemic and as described in this Draft Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

2. Significant economic changes that materially affected or are likely to affect income from continuing Operations

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “Risk Factors” beginning on page no. 26 of the Draft Prospectus. To our knowledge, except as we have described in the Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

3. Known trends or uncertainties that have/had or are expected to have a material adverse impact on revenue or income from continuing operations

Apart from the risks as disclosed under Chapter titled “Risk Factors” beginning on page no. 26 in this Draft 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, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Our Company's future costs and revenues will be determined by demand/supply situation, both of the end products/services as well as the raw materials, government policies and other economic factors.

5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.

Our company's surge in net sales and revenue can be attributed to a successful blend of increased sales volume, the introduction of popular new products, and strategic pricing adjustments. Our commitment to quality, innovative product offerings, and effective marketing initiatives have fuelled this growth. Efficient operations and a customer-centric approach further contribute to our ongoing success in the FMCG sector.

6. Total turnover of each major industry segment in which the issuer company operated.

Our company manufactures flour (chakki atta), herbs & spices, unpolished pulses, grains, and yellow mustard oil etc. Relevant Industry data, as available, has been included in the chapter titled "Industry Overview" beginning on page no. 84 of this Draft Prospectus.

7. The extent to which business is seasonal.

The nature of our business is characterized by a consistent sales trajectory throughout the year. While our sales are generally not seasonal, we do observe a notable uptick during the winter months. This increase is primarily attributed to the higher consumption of food during this period, driven by heightened appetites and the cultural inclination towards heartier meals in colder weather. Despite this seasonal variance, our overall sales stability remains a distinctive feature, providing a reliable and steady revenue stream throughout the year.

8. Any significant dependence on a single or few suppliers or customers.

We have strategically diversified its supplier and customer base to avoid significant dependence on a single or few entities. This approach enhances stability and minimizes potential risks associated with concentrated relationships.

9. Competitive conditions:

We face competition from existing and potential competitors which is common for any business. We have, over a period, developed certain competitors who have been discussed in chapter titles "Business Overview" beginning on page no. 93 of this Draft Prospectus.

CAPITALISATION STATEMENT

(₹ In Lakhs)		
Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	120.14	Nil
Long Term Debt (B)	83.91	Nil
Total debts (C)	204.05	Nil
Shareholders' funds		
Share capital	268.82	Nil
Reserve and surplus - as Restated	46.91	Nil
Total shareholders' funds (D)	315.73	Nil
Long term debt / shareholders funds (B/D)	0.27	Nil
Total debt / shareholders funds (C/D)	0.65	Nil

Notes:

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.12.2023.
2. Long term debts represent debts other than short term debts as defined above.
3. Short term Debts represents the debts which are expected to be paid / payable within 12 months and also includes instalment of term loans repayable within 12 months.

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SECTION VII. LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; (d) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Company, the Directors, and the Promoters, in the last five Fiscals, including outstanding action; or (e) Material Litigation (as defined below); involving our Company, its Directors, and its Promoters, ("Relevant Parties").

Our Board, in its meeting held on January 15, 2024, determined that outstanding legal proceedings involving the Relevant Parties will be considered as material litigation ("Material Litigation") (i) if the aggregate amount involved exceeds 2% of the consolidated revenue from our operations for the latest financial year in the Restated Financial Statements; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.

Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated January 15, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 10% of consolidated trade payables as per the Restated Consolidated Financial Statements of our Company disclosed in this Draft Prospectus, would be considered as material creditors. The trade payables of our Company as on December 31, 2023 were ₹204.77 Lakhs. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

All terms defined in a particular litigation disclosure pertains to that litigation only.

I. Litigation involving our Company.

A. Litigation filed against our Company.

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. *Litigation filed by our Company.*

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (<i>in Rs. lakhs</i>)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

II. Litigation involving our directors (other than Promoters)

A. *Litigation filed against our Directors (other than Promoters)*

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. *Litigation filed by our Directors (other than Promoters)*

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

A. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (<i>in Rs. lakhs</i>)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

III. Litigation involving our Promoters

A. *Litigation filed against our Promoters*

1. **Criminal proceedings**

Nil

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Material civil proceedings**

Nil

B. *Litigation filed by our Promoters*

1. **Criminal proceedings**

Nil

2. **Material civil proceedings**

Nil

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

Outstanding dues to creditors

As per the Restated Financial Statements, 10% of our consolidated trade payables as at December 31, 2023 was ₹ 204.77 lakhs and accordingly, creditors to whom outstanding dues exceed ₹20.00 lakhs have been considered as material creditors for the purposes of disclosure in this Draft Prospectus.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at December 31, 2023, by our Company, are set out below and the disclosure of the same is available on the website of our Company at www.hoacfoodsindia.com.

Type of creditors	Number of creditors	Amount involved (in Rs. lakhs)
Material creditors	3	118.86
Micro, Small and Medium Enterprises	Nil	Nil
Other creditors	34	85.91
Total	37	204.77

Material Developments

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after December 31, 2023*" on beginning on page 155, there have not arisen, since the date of the last financial information disclosed in this Draft Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “**Risk Factors**” beginning on page 26, these material approvals are valid as of the date of this Draft Prospectus. For details in connection with the regulatory and legal framework within which we operate, see “**Key Regulations and Policies**” on page 120.*

Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

I. Material approvals obtained in relation to the Issue

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on January 15, 2024, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on January 17, 2024, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from the National Stock Exchange of India Limited, dated [●].

II. Material approvals obtained in relation to our business and operations

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

A. Incorporation details of our Company

- a. Our Company was originally incorporated as a private limited company in the name of ‘*HOAC MP Atta Spices Manufacture Private Limited*’ vide certificate of incorporation dated March 13, 2018 issued by the RoC.
- b. Certificate of Incorporation dated November 3, 2021 issued to our Company, pursuant to change of name of our Company from ‘*HOAC MP Atta Spices Manufacture Private Limited*’ to ‘*HOAC Foods India Private Limited*’
- c. Fresh certificate of incorporation dated October 30, 2023 issued to our Company by the RoC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from ‘*HOAC Foods India Private Limited*’ to ‘*HOAC Foods India Limited*’.

B. Tax related approvals obtained by our Company

S. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Permanent Account Number	AAECH4665B	Income Tax Department	December 10, 2023	Valid till cancelled

S. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
2.	Income Tax Deduction Account Number (TAN)	DELH12195B	Income Tax Department	January 9, 2024	Valid till cancelled
3.	GST Registration Certificate - Delhi	07AAECH4665B1ZS	Goods and Services Tax Department	January 10, 2024	Valid till cancelled
4.	GST Registration Certificate - Haryana	06AAECH4665B1ZU	Goods and Services Tax Department	January 10, 2024	Valid till cancelled

C. Regulatory approvals:

S. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Provident Fund Code Number	DLCPM29746520	Employees' Provident Fund Organization, Ministry of Labour and Employment, Government of India	June 29, 2023	Valid till cancelled
2.	ESIC Registration Code — D- 426a Near Ramphal Chowk, Sector-7, Palam Extension, Dwarka, Delhi 110075	20001291320000004	Sub-Regional Office, Employees' State Insurance Corporation,	December 1, 2018	Valid till cancelled
3.	ESIC Registration Code — G-4, Plot No. 1, Vardhaman Prashad Plaza MLU, Sector - 12, Dwarka, South West, Delhi	20201291320010004	Sub-Regional Office, Employees' State Insurance Corporation,	January 11, 2019	Valid till cancelled
4.	Registration Certificate - under the Shops and Establishment Act - Dwarka: D1 Palam	2024032350	Department of Labour, Government of National Capital Territory of Delhi	February 20, 2024	Valid till cancelled

No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
	Kunj, Ramphal Chowk, Palam Extension Sector-7, Dwarka, New Delhi – 110 075				
5.	Registration Certificate - under the Shops and Establishment Act - Dwarka: G-4, Vardhman Prasad Plaza, K.M. Chowk, Sector-12, Dwarka, New Delhi-110075	2024032378	Department of Labour, Government of National Capital Territory of Delhi	February 20, 2024	Valid till cancelled
6.	Registration Certificate – under the Shops and Establishment Act - D-498, 1 st Floor, Palam Extension Ramphal Chowk Dwarka Sector 7 New Delhi 110075	2024033006	Department of Labour, Government of National Capital Territory of Delhi	February 21, 2024	Valid till cancelled
7.	Registration Certificate – under the Shops and Establishment Act - Dwarka: D-426A, Palam Extension, Ramphal Chowk, Sector-7, Dwarka, New Delhi-110075	2024032980	Department of Labour, Government of National Capital Territory of Delhi	February 21, 2024	Valid till cancelled

No.	Nature of Registration/License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
8.	UDYAM Registration Certificate	UDYAM-DL-10-0006872	Ministry of Micro, Small and Medium Enterprises, Government of India	January 16, 2021	Valid till cancelled
9.	Food Safety and Standards Authority of India for Manufacturing – Delhi	13322011000164	Government of Delhi Department of Food Safety	January 17, 2024	Valid upto February 20, 2026
10.	Food Safety and Standards Authority of India for Manufacturing - Haryana	10822005000276	Government of Haryana Department of Food Safety	January 19, 2024	Valid upto February 14, 2026
11.	Food Safety and Standards Authority of India for Trading - Delhi	1332201100040	Government of Delhi Department of Food Safety	January 4, 2024	Valid upto May 11, 2026
12.	Food Safety and Standards Authority of India for Trading - Haryana	10822005000628	Government of Haryana Department of Food Safety	January 4, 2024	Valid upto April 24, 2026

Note: Our Company has not obtained certain licenses/approvals based on a legal opinion on applicability of the same to the operations of our Company

III. Material approvals or renewals for which applications are currently pending before relevant authorities

Sr. No.	Details of Application	Application number	Date of Application
1.	Application to Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution for registration of manufacturers/ packers/ importers under Rule 27 of the Legal Metrology (Packaged Commodities) Rules, 2011	-	February 17, 2024
2.	Application to Office of the Controller, Legal Metrology, Government of National Capital Territory of Delhi for grant of License to manufacture, weights, measures, weighing or measuring instrument under the Legal Metrology Act, 2009	M20240216888	February 16, 2024
3.	Application for Registration Certificate of	1058473	February 20, 2024

Sr. No.	Details of Application	Application number	Date of Application
	Shops and Establishment Certificate under the Punjab Shop and Commercial Establishment Act, 1958		
4.	Application for Registration Certificate of Shops and Establishment Certificate under the Punjab Shop and Commercial Establishment Act, 1958	1058515	February 20, 2024

IV. Material approvals expired and renewal yet to be applied for


Nil

V. Material approvals required but not obtained or applied for

Nil

VI. Intellectual Property

As on the date of this Draft Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Particulars of the Mark	Trade Mark No.	Class of Registration
July 29, 2015		3019347	30

VII. Pending Intellectual property related approvals Application

Date of Application	Particulars of the Mark	Application No. /Registration No.	Class of Registration
October 16, 2023		6151523*	30
October 19, 2023		6151521*	29

Date of Application	Particulars of the Mark	Application No. /Registration No.	Class of Registration
October 16, 2023		6151522*	30

**Trademark Application has been objected*

For risk associated with our intellectual property please see, “**Risk Factors**” on page 26 of this Draft Prospectus.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held January 15, 2024 , subject to the approval of shareholders of our Company through a special resolution to be passed, pursuant to Section 62(1)(c) of the Companies Act, 2013.

The members of our Company have approved this Issue by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting of our Company held on January 17, 2024.

Our Board has approved the Draft Prospectus and Prospectus through its resolution dated February 21, 2024 and [●] respectively.

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 this Offer Documents 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

CONFIRMATIONS

1. Our Company, our Promoter, Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoter or directors

PROHIBITION BY THE SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Promoter Group, our Directors, Person in control of our Company, have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities as on date of this Prospectus.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India. None of our Directors are associated with the securities market and there are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus. For further information, refer to the chapter titled "Capital Structure" beginning on page 59 of this Prospectus.

ASSOCIATION WITH SECURITIES MARKET

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

PROHIBITION BY RBI

Neither our Company, our subsidiary, our Promoters, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a willful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter titled "Outstanding Litigations and Material Development" beginning on page 171 of this Prospectus.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Promoters and members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 as amended ("SBO Rules"), to the extent applicable to each of them as on the date of this Prospectus.

ELIGIBILITY FOR THE ISSUE

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018; and this Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible for the Issue in accordance with Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the Emerge Platform of National Stock Exchange of India Limited or "NSE Emerge"). Our Company also complies with eligibility conditions laid by Emerge Platform of NSE Limited for listing of Equity Shares.

We confirm that:

- a. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, 2018, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- b. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue has been one hundred (100) percent underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please see "General Information" beginning on page 50 of this Prospectus
- c. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 2 (Two) days of such intimation. If such money is not repaid within prescribed 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 prescribed days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- d. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of (3) three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see chapter titled "General Information" beginning on page 50 of this Prospectus.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on Emerge Platform of National Stock Exchange of India Limited which states as follows:

The issuer should be a Company incorporated Under Companies Act, 2013

Our Company is incorporated under the Companies Act, 2013

3. The post issue paid up capital of the Company (face value) shall not be more than ₹ 10 crores.

The post issue paid up capital of the Company will be less than ₹ 10 crores.

4. Track Record

- a) **The Company should have a (combined) track record of at least 3 years**

Our Company satisfies the criteria of Track Record

(₹. In Lakhs)

Particulars for the period	For the nine month ended on December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit as per Restated Consolidated Financial Statement	74.50	58.79	27.33	12.85

- b) The Company should have (combined) positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive.

(₹ In

Lakhs)

Particulars for the period	For the nine month ended on December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating profit (earnings before interest, depreciation and tax and after reducing other income) from operations	125.60	103.90	52.95	31.61
Net Worth as per Restated Financial Statements	315.73	156.86	98.07	32.26

5. Other Requirements

We confirm that:

- The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

6. The Company has a website: <https://www.hoacfoodsindia.com>

7. Disclosures

We confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoter/promoting Company(ies), group companies, companies promoted by the Promoter/promoting companies of the Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoter/promoting Company(ies), group companies, companies promoted by the Promoter/promoting Company(ies) during the past three years.

- iii. There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies).
- iv. There are no criminal cases/investigation/offences filed against the director of the company.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

- i. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting, please refer to Section titled “General Information” beginning on page no.50 of this Draft Prospectus.
- ii. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “General Information” beginning on page no.50 of this Draft Prospectus.
- iii. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottees in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- iv. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Prospectus through the BRLM immediately upon registration of the Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on the Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

SEBI DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS / PROSPECTUS, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, GYR CAPITAL ADVISORS PRIVATE LIMITED SHALL FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH

STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, DELHI SITUATED AT NEW DELHI, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.

DISCLAIMER CLAUSE OF THE NSE

As required, a copy of this Draft Prospectus has been submitted to National Stock Exchange of India Limited. The disclaimer clause as intimated by National Stock Exchange of India Limited to our Company, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to the filing with the RoC.

DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at their own risk.

The LM accept no responsibility, save to the limited extent as provided in the Agreement entered between the LM (GYR Capital Advisors Private Limited) and our Company on [•], and the Underwriting Agreement dated [•] entered into between the Underwriters and our Company and the Market Making Agreement dated [•] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entity, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and LM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and LM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform him or herself about and to observe, any such

restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Chennai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

FILING OF DRAFT PROSPECTUS/ PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Draft Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Master Circular, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>

A copy of the Prospectus along with the material contracts and documents will be delivered to the RoC Office situated at 4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019

LISTING

Application is to be made to the Emerge Platform of 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 is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated [●] from National Stock Exchange of India Limited for using its name in this offer document for listing our shares on the Emerge Platform of National Stock Exchange of India Limited.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the National Stock Exchange of India Limited, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of National Stock Exchange of India Limited mentioned above are taken within Six Working Days from the Issue Closing Date.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

CONSENTS

The written consents of Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the LM to the Issue, Registrar to the Issue, Market Maker*, Banker to the Issue* and Underwriter* to act in their respective capacities have been obtained.

*To be obtained at the DP stage

Above consents will be filed along with a copy of the Draft Prospectus with the ROC, as required under Sections 26 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Draft Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, our Company has received written consent dated February 17, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated February 16, 2024 on our Restated Financial Information; and (ii) its report dated February 16, 2024 on the statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

EXPERT OPINION

Except for report and certificates from Peer Review Auditors on financial matter and Legal advisor to the company on Legal matters, we have not obtained any other expert opinions.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Our Company has not made public issue in the past. For details of right issue please refer chapter titled “Capital Structure” beginning on page no.59 of this Draft Prospectus.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

CAPITAL ISSUE DURING THE LAST THREE YEARS

For details of the capital issued of our Company in past three years, please refer chapter titled “Capital Structure” beginning on page no. 59 of this Draft Prospectus. Our Subsidiary has not made any capital issuances during the three years preceding the date of this Draft Prospectus. Our Company does not have any associates or listed group company, as of the date of this Draft Prospectus.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LM

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing*	
1.	Naapbooks Limited	3.99	74	15.09.2021	77.00	-16.22%	4.40%	-29.73%	-1.59%	-18.905	-3.809
2.	Ascensive Educare Limited	2.25	26	12.01.2022	27.60	0.00%	-4.901%	-30.00%	-3.5739%	14.61%-	-11.04629%-
3.	Achyut Healthcare Limited	3.60	20	30.03.2022	21.15	0.00%	-1.981%	4.75%-	-9.41%-	-9.75%-	-2.622%-
4.	Dhyaani Tile and Marblez Limited	2.45	51	12.04.2022	52.25	19.61%	7.661%	82.35%-	-7.137%-	11.764%-	-0.999%-
5.	Veekayem Fashion and Apperals Limited	4.4352	28	22.08.2022	52.35	59.96%	1.86%	22.67%	3.82%	0.17%	5.25%
6.	JFL Lifesciences Limited	18.16	51	08.09.2022	70.00	-29.01%	-2.71%	-38.52%	4.74%-	-40.98%	-1.17%
7.	Sabar Flex India Limited	4.47	11	21.09.2022	21.00	54.54%	-0.87%	44.54%-	3.56%-	32.27%	-0.72%
8.	Mafia Trends Limited	3.60	28	06.10.2022	32.65	-8.57%	5.78%	-26.78%	4.01%	-52.82%	2.51%

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing*	
9.	Pritika Engineering Components Limited	9.42	29	08.12.2022	42.20	35.69%	-2.14%	-4.59%	8.62%	8.62%	0.55%
10.	Uma Converter Limited	18.414	33	29.12.2022	34.25	21.21%	-0.40%	-6.10%	-10.30%	-12.88%	3.44%
11.	Anlon Technology Solutions Limited	15	100	10.01.2023	251.1	84.40%	-0.12%	-1.61%	75.02%	163.95%	7.91%
12.	Agarwal Float Glass India Limited	9.2	42	23.02.2023	44	-9.52%	-3.00%	-14.29%	4.42%	-13.09%	10.74%
13.	Mcon Rasayan India Limited	6.84	40	20.03.2023	48	87.5%	-3.70%	157.13%	10.76%	230.25%	19.63%
14.	Essen Speciality Films Limited	66.33	107	06.07.2023	140	37.38%	1.37%	21.00%	0.31%	-	-
15.	Srivari Spices and Foods Limited	8.99	42	18.08.2023	101.50	199.17%	4.38%	291.78%	2.35%	-	-
16.	Basilic Fly Studio Limited	66.35	97	11.09.2023	271.00	194.07%	-1.53%	-	-	-	-
17.	Maitreya Medicare Limited	14.89	82	07.11.2023	162.55	-	-	-	-	-	-
18.	Trident Techlabs Limited	16.03	35	29.12.2023	98.15	-	-	-	-	-	-
19.	Kay Cee energy & Infra Limited	15.93	54	05.01.2024	252.00	-	-	-	-	-	-
20.	Maxposure Limited	20.26	33	January 23, 2024	145.00	-	-	-	-	-	-

* Companies have been listed on July 06, 2023, August 18, 2023, Sept 11, 2023, November 07, 2023, December 29, 2023, January 05, 2024 and January 23, 2024 hence not applicable.

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 th calendar day from listing day*			Nos. of IPOs trading at premium - 30 th calendar day from listing day*			Nos. of IPOs trading at discount - 180 th calendar day from listing day*			Nos. of IPOs trading at premium - 180 th calendar day from listing day*		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%

2021-22	03	9.84	-	1	3	-	-	-	-	-	2	-	-	1
2022-23	10	124.78	-	1	2	4	1	2	1	1	-	-	1	2
2023-24	07	208.48	-	-	-	1	1	-	-	-	--	-	-	-

* Companies have been listed on July 06, 2023, August 18, 2023, Sept 11, 2023 and November 07, 2023 hence not applicable

Break -up of past issues handled by GYR Capital Advisors Private Limited:

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2021-2022	3	0
2022-2023	10	0
2023-2024	07	0

Notes:

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
2. Source: www.bseindia.com and www.nseindia.com

For details regarding the track record of the Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Lead Manager as set forth in the table below:

Sr. No.	Name of the Lead Manager	Website
1	GYR Capital Advisors Private Limited	www.gyrcapitaladvisors.com

PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled “Capital Structure” beginning on page 59 of this Draft Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

PERFORMANCE VIS-À-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTERS

As on the date of this Draft Prospectus, our Company does not have any listed subsidiary or listed promoters.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated September 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the

concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). 'T' being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, September 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, September 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of Director	Nature of Directorship	Designation in the Committee
Mr. Mukesh Garg	Independent Director	Chairman
Mr. Yashwant Thakur	Non-Executive Director	Member
Mrs. Gaytri Thakur	Independent Director	Member

Our Company has appointed Ms. Bhawna Agrawal as the Company Secretary and Compliance Officer, who may be contacted in case of any pre-issue or post-issue related problems at the following address:

Ms. Bhawna Agarwal
D-498, 1st Floor Palam Extension
Sector-7 Dwarka, Raj Nagar - Ii, South West Delhi,

New Delhi, Delhi, India, 110077

Telephone: +91 97178 38568

E-mail: compliance@hoacfoodsindia.com

Website: www.hoacfoodsindia.com

Till date of this Draft Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “Capital Structure” beginning on page no. 59 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

LISTED VENTURES OF PROMOTER

There are no listed ventures of our Company as on date of filing of this Draft Prospectus.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI. Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

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SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, 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 GoI, the Stock Exchange, the RoC, the RBI 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, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its 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 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, SEBI through 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, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars issued by SEBI in this regard, SEBI 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 RIIs 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, with respect to Application by retail individual investors 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 Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors (“UPI Phase III”), as may be prescribed by SEBI.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Authority for the Issue

The present Issue of upto 12,00,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on January 15, 2024 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on January 17, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “*Description of Equity shares and terms of the Articles of Association*” on page 253 of the Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the

Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled “Dividend Policy” and “Main Provisions of Article

of Association” beginning on page 151 and 253 respectively of this Draft Prospectus.

Face Value, Issue Price

The Equity Shares having a Face Value of ₹ 10 each are being offered in terms of the Draft Prospectus at the price of [●] per equity Share (including premium of [●] per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “*Basis for Issue Price*” on page 78 of the Draft Prospectus. At any given point of time there shall be only one denominator of the Equity Shares of our Company, subject to applicable laws.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Compliance with Disclosure and Accounting Norms

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 law and our Articles of Association, our equity Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

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/splitting, see “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 155.

Allotment only in dematerialized form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialized form. As per the SEBI ICDR Regulations, SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Issue:

- Tripartite agreement dated December 06, 2023 amongst our Company, NSDL and Registrar to the Issue; and
- Tripartite agreement dated December 06, 2023 amongst our Company, CDSL and Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode.

Minimum Application Value, Market Lot and Trading Lot

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the Emerge Platform of 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 Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottee

The minimum number of allottee in the Issue shall be fifty (50) shareholders in case the number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Joint Holders

Subject to the provisions of the AoA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. 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 our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon 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, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Issue

Our Company in consultation with the LM, reserve the right to not to proceed with the issue after the Bid/issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The LM through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

Bid/Issue Programme

ISSUE OPENS ON	[●]
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ISSUE CLOSES ON	[●]
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An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the NSE Emerge	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the NSE Emerge	On or about [●]

* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying 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 Applicant 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 Application Amount, the Applicant 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 Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

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

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage.

Retail Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

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

Minimum Subscription and Underwriting

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 issue 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 eight 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”*** on page 50 of this Draft Prospectus.

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.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No.

CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of National Stock Exchange of India Limited.

Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Share capital and Promoter's minimum contribution under the SEBI ICDR Regulations as provided in *“Capital Structure”*, beginning on page 59 and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For details, see *“Description of Equity Shares and Terms of the Articles of Association”*, beginning on page 253 of the Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Migration to Main Board

Parameter	Migration policy from NSE SME Platform to NSE Main Board
Paid up Capital & Market Capitalisation	The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores** ** Explanation For this purpose capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares
Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT)	The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
Listing period	The applicant should have been listed on SME platform of the Exchange for at least 3 years.
Other Listing conditions	<ul style="list-style-type: none"> • The applicant Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies. • The company has not received any winding up petition admitted by a NCLT. • The net worth* of the company should be at least 50 crores *Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
Public Shareholders	Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.
The applicant desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:	<ul style="list-style-type: none"> • The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner. • Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed. • Redressal mechanism of Investor grievance • PAN and DIN no. of Director(s) of the Company • Change in Control of a Company/Utilization of funds raised from public

Market Making

The shares offered through this Issue are proposed to be listed on the Emerge platform of National Stock Exchange of India Limited, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the Emerge platform of National Stock Exchange of India Limited.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to "General Information - Details of the Market Making Arrangements for this Issue" on page 50 of this Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto ₹ [●], as applicable in our case	[●]	[●]

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Delhi, New Delhi.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and 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 U.S. state securities laws.

Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulations and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be 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.

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ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue Face value capital is less than or equal to Rs. 10 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 192 and 201 of the Draft Prospectus.

The Issue comprise of public issue of up to 12,00,000 Equity Shares of Face Value of ₹10 each fully paid (the “**Equity Shares**”) for cash at a price of [●] per Equity Share (*including a premium of [●] per Equity Share*) aggregating to [●] lakhs (the “Issue”) by our Company of which [●] Equity Shares of ₹10 each will be reserved for subscription by Market Maker Reservations Portion and Net Issue to public of [●] Equity Shares of ₹10 each is hereinafter referred to as the Net Issue. The Issue and the Net Issue will constitute [●] and [●] respectively of the post-Issue paid up Equity Share Capital of our Company.

The Issue is being made by way of Fixed Price Issue Process.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	12,00,000 Equity Shares	[●] Equity Shares
Percentage of Issue Size available for allocation	[●] of the Issue size	[●] of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to “ <i>Issue Procedure</i> ” on page 201 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applicants shall make the application (online or physical) through ASBA process only	Through ASBA process only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	For other than Retail Individual Investors: Such number of Equity Shares in multiples of [●] Equity Shares such, that the application value exceeds ₹ 2,00,000. For Retail Individuals Investors: [●] Equity Shares at an Issue price of ₹ [●] each	[●] Equity Shares
Maximum Application Size	For Other than Retails Individual Investors: The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable. For Retail Individuals Investors: Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ₹2,00,000	[●] Equity Shares
Trading Lot	[●] Equity Shares	[●] Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR)

		Regulations, 2018.
Application lot Size	[●] Equity Shares thereafter Equity Shares and in multiples of [●]	
Terms of Payment	The entire Application Amount shall be blocked by the SCSBs in the bank account of the Applicants, or by the Sponsor Banks through UPI mechanism (for RIIs using the UPI Mechanism) at the time of the submission of the Application Form	

Note:

1. In case of joint application, the Application Form should contain only the name of First Applicant whose name should also appear as the first holder of 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 joint holders.

2. Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.

3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details please refer chapter titled “Issue Procedure” beginning on page of this Prospectus.

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ISSUE PROCEDURE

All Applicants should read “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 SEBI UPI Circulars (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 SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the Lead Manager. The document will be updated to reflect the enactments and regulations including then Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

Please note that the information stated/covered in this chapter may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this chapter and the General Information Document. Our Company and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with the applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Draft Prospectus.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per Sebi Circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI. Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures as may be prescribed by the SEBI from time to time.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities

after the closure of a public issue to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

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 Issue process.*
- *The Stock Exchanges and Lead Managers 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.*

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs,DPs, Designated Bank Branches of SCSBs. 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 www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by Stock Exchange to act as intermediaries for submitting Application Forms are provided on the website of the Stock Exchange. For details on their designated branches for submitting Application Forms, please refer the above-mentioned Stock Exchange website.

Please note that the information stated/covered in this chapter may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this chapter and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Prospectus. Applicant are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

FIXED PRICE ISSUE PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity

Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchange or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, our Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others equity shares. Pursuant to the SEBI UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the SEBI UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

Phase III: Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public offer closure to listing has been reduced from six Working Days to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. This Issue will be made under UPI Phase III of the UPI Circular.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn

or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Issue Opening Date. If the Issue is made under UPI Phase III of the UPI Circular, the same will be advertised in English national daily newspaper and Hindi national daily, Hindi being the regional language of Delhi, where our Registered Office is located, each with wide circulation, on or prior to the Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their websites.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the Retail Individual Bidders using the UPI Mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the Lead Manager will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the website of the Stock Exchange and the Lead Manager.

ELECTRONIC REGISTRATION OF BIDS

- (a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Issue.
- (b) On the Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as maybe permitted by the Stock Exchange and as disclosed in the Draft Prospectus.
- (c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange's platform during the Bid/Issue Period after which the Stock Exchange send the bid information to the Registrar to the Issue for further processing.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

Copies of the Application Form and the Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus / Prospectus. All the Applicants (other than Anchor Investor and Retail Individual Investor using UPI Payment Mechanism) shall mandatorily participate in the Issue only through the ASBA process for application. ASBA applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

The ASBA Applicants 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, which shall be effective from September 1, 2022. All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the 309 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 the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form *
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis [^]	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis [^]	[●]

**Excluding electronic Bid cum Application Forms*

[^]Electronic Bid cum Application forms will also be available for download on the website of National Stock Exchange of India Limited (www.nseindia.com).

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchange and the Stock Exchange shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank.

For UPI Bidders using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No. 20220803-40 and NSE Circular No. 25/2022, each dated August 3, 2022, 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 5:00pm on the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders 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. Further, modification of Bids shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/investor complaints to the Sponsor Bank and the Bankers to the Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Issue for analysing the same and fixing liability.

Submission and Acceptance of Application Forms

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked bank account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Applicants are required to submit their applications only through any of the following Application collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained
- ii. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the Stock Exchange as eligible for this activity) (“Broker”)
- iv. A depository participant (“DP”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. A registrar to an issuer and share transfer agent (“RTA”) (Whose name is mentioned on the website of the Stock Exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), shall enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of Stock Exchange and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the Stock Exchange and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the Stock Exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified
For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of Stock Exchange. Post uploading, they 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.

For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	<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 through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his /her mobile application, associated with UPI ID linked bank account.</p>
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Stock Exchange shall validate the electronic application details with depository's records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock Exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not both), bank code and location code, in the application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting Intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN APPLY?

As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;

- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the

investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

The Equity Shares 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, and 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 Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as “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 reliance on Regulations S under the U.S 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.

MAXIMUM AND MINIMUM APPLICATION SIZE

For Retails 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 Investors have to ensure that the Application Price does not exceed ₹ 2,00,000.

For Other than Retail Individual Investors (Non-Institutional Investors 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 and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Bid.

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 Prospectus.

Participation By Associates/Affiliates Of Lead Manager

The Lead Manager shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their respective underwriting obligations. However, the associates and affiliates of the Lead Manager may Bid for Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Lead Manager, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Option to Subscribe to the Issue

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.

2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Applications made by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any company

Provided that the limit of 10% shall not be applicable for investments in case of index funds, exchange traded funds, or sector or industry specific schemes.

- No Mutual Fund under all its schemes should own more than 10% of our 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 reject any Application in whole or in part, in either case without assigning any reason thereof.

The Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

Applications by Eligible NRIs on Repatriation Basis

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents ([●] in colour).

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application on a repatriation basis by using the Non-Resident Forms, should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) or ASBA Accounts.

Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.

Allotment of Equity Shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

Our Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs are required to be made in the individual name of the Karta. The Bidder

should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form 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.

Applications by eligible FPIs including FIIs on repatriation basis

FPIs including FIIs who wish to participate in the issue are advised to use the application form for non- residents ([●]in colour).

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) units of schemes floated by a collective investment scheme; (d) derivatives traded on a recognized stock exchange; (e) treasury bills and dated government securities; (f) commercial papers issued by an Indian company; (g) rupee denominated credit enhanced bonds; (h) security receipts issued by asset reconstruction companies; (i) perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where ‘infrastructure’ is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as ‘Infrastructure Finance Companies’(IFCs) by the Reserve Bank of India; (l) rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - (a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - (b) Nothing contained in clause (a) shall apply to:
 - i. Any transactions in derivatives on a recognized stock exchange;
 - ii. Short selling transactions in accordance with the framework specified by the SEBI;
 - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - iv. Any other transaction specified by the SEBI.
 - (c) No transaction on the stock exchange shall be carried forward;
 - (d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the SEBI;

Provided nothing contained in this clause shall apply to:

- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
- ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
- iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;

- v. divestment of securities in response to an issue by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
- vi. Any Application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- viii. Any other transaction specified by the SEBI.

(e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
 - (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
 - (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of our Company.
15. The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue Paid up Capital of our Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of our Company for adoption.
17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.
18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 as amended, amongst others, prescribe the investment restrictions on venture capital funds and foreign venture capital investors, registered with SEBI. The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial

public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission. **There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

There is no reservation for Eligible NRI, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

Application by Limited Liability Partnerships

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager reserve the right to reject any Bid without assigning any reason thereof.

Application by Banking Companies

In case of Applications made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager, reserves the right to reject any Application without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is 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 paidup 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 or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non- financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Applications by banking companies should not exceed the investment limits prescribed for them under the applicable laws.

Application by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Application by Insurance Companies

In case of applications made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended (“**IRDAI Investment Regulations**”), are broadly set forth below:

- (a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,50,00,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 lakhs or more but less than ₹ 2,50,00,000 lakhs.*

Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Application by Provident Funds/ Pension Funds

In case of Applications made by provident funds/pension funds with minimum corpus of ₹ 2,500 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager reserve the right to reject any Bid, without assigning any reason thereof.

Application under Power of Attorney

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable laws) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company and the reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason hereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a. With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b. With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

- c. With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.
- d. With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.

Our Company in their absolute discretion, reserve 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 our Company in consultation with the Lead Manager, may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice/CANs/letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchange does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

Indicative process flow for Applications in public issue

ASBA PROCESS

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI links.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of

the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of Application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

CHANNELS OF SUBMISSION OF APPLICATION FORMS

From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non-Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds. For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

Application and validation process

- a) submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b) RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- c) The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.
- d) Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- e) Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- f) SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

The Block Process

- a) Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- b) The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date ("Cut-Off Time"). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.

- c) The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account
- d) The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IP.
- e) Upon successful validation of block request by the RII, as above, the said information would be electronically also be displayed on stock exchange platform for information of the intermediary received by the RIIs' bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- f) The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- g) The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- h) RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

Number of applications per bank account

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for Rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

How to apply?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Mode of payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors)

applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and all related circulars issued thereafter, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake Reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment. Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application or Application made through UPI Mechanism, as the case may be.

Maximum and Minimum Application Size

The applications in this Issue, being a fixed price issue, will be categorized into two;

1. For Retail Individual Applicants

The Application must be for a minimum of [•] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

2. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of [•] Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of [•] Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

Receive Equity Shares in Dematerialized Form

Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

Information for the applicants

- a. Our Company will file the Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
- b. The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c. Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office or from the Registered Office of the Lead Manager.
- d. Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e. Applications made in the name of Minors and/or their nominees shall not be accepted.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations 2018, our Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in English national daily newspaper, Hindi national daily newspaper, being the regional language of Delhi, where our Registered Office is located, each with wide circulation.

Signing of Underwriting Agreement

The Issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on [•].

Filing of the Prospectus with the Roc

Our Company will file a copy of the Prospectus with the RoC in terms of Section 32 of Companies Act, 2013.

Information for the applicants

- a. **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall make necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- c. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d. Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 5 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within two working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date

On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

Our Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 5 working days of the Issue Closing Date. Our Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

Interest and Refunds

Completion of formalities for listing & commencement of trading

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, our Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Grounds for refund

Non-receipt of listing permission

An Issuer makes an Application to the Stock Exchange for permission to deal in/list and for an official quotation of the Equity Shares. The Stock Exchange from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange, the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In case, our Company fails to obtain listing or trading permission from the Stock Exchange where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within seven days of receipt of intimation from Stock Exchange rejecting the application for listing of specified securities.

The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within eight days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Minimum subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the “Stated Minimum Amount” has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Draft Prospectus including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

Minimum number of Allottees

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

Mode of refund

Within four Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

Letters of Allotment or Refund Orders or instructions to the SCSBS

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within four Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within four Working Days of the Issue Closing Date.

Interest in case of delay In Allotment Or Refund

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant

General instructions

Do's:

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicants in case of joint Applications, is included in the Application Forms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their Application by using UPI mechanism for payment.
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicants whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Application;
- Ensure that you have funds equal to the Application Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations)
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that the category and the investor status is indicated
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;

- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Draft Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not make Application for Application Amount exceeding ₹ 2,00,000 (for Applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Net Issue Size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;
- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not make Application if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit Application by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Instructions for completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the website of National Stock Exchange of India Limited i.e. www.nseindia.com.

Applicants may note that forms not filled completely or correctly as per instructions provided in this Draft Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the LM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below;

A. INSTRUCTION FOR FILLING THE APPLICATION FORM

(The remainder of this page is intentionally left blank)





COMMON APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R <small>Registered Office: Tel. No.: Fax No.: E-mail: Website: CIN:</small>	FOR RESIDENT DEBENTURE, INCLUDING RESIDENT NRI, NON INSTITUTIONAL INVESTORS, RETAIL, INSTITUTIONAL INVESTORS AND ELIGIBLE NRI APPLYING ON A NON-RESIDENTIAL BASIS
 LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	FIXED PRICE SME ISSUE ISIN : XXXXXXXX
		Application Form No. _____
SYNDICATE MEMBER'S STAMP & CODE		1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Address _____ Email _____ Tel. No. (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		2. PAN OF SOLE/FIRST APPLICANT _____
SCSB BRANCH STAMP & CODE		
BANK BRANCH SERIAL NO.		3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID. 4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off") No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ 1/- per share <input type="checkbox"/> "Cut-Off" Price (In Figures) _____ (In Words) _____ ALLOTMENT WILL BE IN DEMAT MODE ONLY* Please note that applications must be made in minimum of 1(-) shares and further multiples of 1(-) shares accordingly. Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.
5. CATEGORY <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB		
6. INVESTOR STATUS <input type="checkbox"/> Indian <input type="checkbox"/> Non-Resident Indian (Non-Resident Status) <input type="checkbox"/> Hindu Undivided Family* <input type="checkbox"/> HUF <input type="checkbox"/> Bodies Corporate <input type="checkbox"/> BO <input type="checkbox"/> Banks & Financial Institutions <input type="checkbox"/> FI <input type="checkbox"/> Mutual Funds <input type="checkbox"/> MF <input type="checkbox"/> Mutual Investment Funds <input type="checkbox"/> MIF <input type="checkbox"/> Insurance Funds <input type="checkbox"/> IF <input type="checkbox"/> Insurance Companies <input type="checkbox"/> IC <input type="checkbox"/> Venture Capital Funds <input type="checkbox"/> VCF <input type="checkbox"/> Alternative Investment Funds <input type="checkbox"/> AIF <input type="checkbox"/> Others (Please Specify) _____ <input type="checkbox"/> OTH		7. PAYMENT DETAILS PAYMENT OPTION : Full Payment Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ OR UPI ID _____ <small>(Maximum 40 characters)</small> I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABBREVED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AUTHORISE AND CONFIRM THE "INVESTOR UNDERSTANDING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.
8. SIGNATURE OF SOLE / FIRST APPLICANT _____ Date: _____, 2019		9. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (We authorize the SCSB to do all work as necessary to make this Application to the issue) 1) _____ 2) _____ 3) _____
		SYNDICATE MEMBER / REGISTERED BROKER / SCRB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
TEAR HERE		
 LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R <small>Acknowledgment Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCRB / DP / RTA</small>	Application Form No. _____ PAN of Sole First Applicant _____
DPID / CLID: _____ Amount Blocked (₹ in Figures) _____ ASBA Bank & Branch _____ ASBA Bank A/c No./UPI ID _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____		Stamp & Signature of SCRB Branch _____
TEAR HERE		
XYZ LIMITED - INITIAL PUBLIC ISSUE - R	In Figures _____ In Words _____ No. of Equity Shares _____ Amount Blocked (₹) _____ ASBA Bank A/c No. /UPI ID _____ Bank & Branch _____	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCRB / DP / RTA _____ Name of Sole / First Applicant _____ Acknowledgment Slip for Applicant Application Form No. _____

Important Note: Application made using third party UPI ID or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED | I

COMMON APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Tel. No.: _____ Registered Office: _____ Fax No.: _____ Email: _____ Website: _____ Contact Person: _____ CIN: _____				FOR ELIGIBLE NRIs, FII/EPFs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS

LOGO 	TO, THE BOARD OF DIRECTORS XYZ LIMITED	FIXED PRICE SME ISSUE ISIN : XXXXXXX	Application Form No. _____
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SYNDICATE MEMBER'S STAMP & CODE 	BROKER/SCB/DP/RTA STAMP & CODE 	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Address _____ Email _____ Tel. No. (with STD code) / Mobile _____
SUB-BROKER'S / SUBAGENT'S STAMP & CODE 	SCB BRANCH STAMP & CODE 	2. PAN OF SOLE/FIRST APPLICANT _____

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	4. INVESTOR STATUS <input type="checkbox"/> Non-Resident Indian - NRI (Repatriation basis) <input type="checkbox"/> Foreign Institutional Investor - FII <input type="checkbox"/> Foreign Portfolio Investor - FPI <input type="checkbox"/> Foreign Venture Capital Investor - FVCI <input type="checkbox"/> FII Sub Account Corporate / Individual - FII SA <input type="checkbox"/> Others - OTH (please specify)
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4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off") No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e., at ₹ []/- per share. (In Figures) _____ (In Words) _____ <input type="checkbox"/> "Cut-Off" Price 5. CATEGORY <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB	6. ALLOTMENT WILL BE IN DEMAT MODE ONLY¹ <small>Please note that applications must be made in minimum of [] shares and further multiples of [] shares accordingly. Please note that the equity shares on allotment will be allotted only in the dematerialised mode on the SME Platform of BSE.</small>
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7. PAYMENT DETAILS Amount (Rupee) _____ (₹ in Figures) (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ OR UPI ID _____ (Maximum 41 characters)	PAYMENT OPTION : Full Payment
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I/WE, ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABREIDED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE, ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8. SIGNATURE OF SOLE / FIRST APPLICANT _____ Date: _____, 2019	9. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the BSE to do all actions as necessary to make the Application in the name 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER / REGISTERED BROKER / SCB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System) 
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TEAR HERE

LOGO 	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCB / DP / RTA XXXXXXX / XXXXX / XXX	Application Form No. _____ PAN of Sole/First Applicant: _____
DPID / CLID: _____ Amount (Rupee) (₹ in Figures) _____ ASBA Bank & Branch: _____ ASBA Bank A/c No./UPI ID: _____ Received from Mr./Ms. _____ Telephone / Mobile: _____ Email: _____	Stamp & Signature of ASBA Branch 	

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XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	In Figures _____ In Words _____ No. of Equity Shares Amount (Rupee) (₹) _____ ASBA Bank A/c No. / UPI ID: _____ Bank & Branch: _____	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCB / DP / RTA 	Name of Sole / First Applicant: _____ _____ Acknowledgement Slip for Applicant Application Form No. _____
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Important Note: Application made using third party UPI ID or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED 1

FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a.) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- b.) **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

1. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:

- a. PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b. PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Application on behalf of the Central or State Government, Application by officials appointed by the courts and Application by Applicant residing in Sikkim ("PAN Exempted Applicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c. The exemption for the PAN Exempted Applicant is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d. Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e. Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

2. FIELD NUMBER 3: APPLICANT'S DEPOSITORY ACCOUNT DETAILS

- a. Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DPID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- b. Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c. Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- d. Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

3. FIELD NUMBER 4: APPLICATION OPTIONS

- a. Since, this is the Fixed Price Issue and the Price has already been disclosed in the Prospectus, the Applicants should make application at the Issue Price only. For the purpose of this Issue, the Price has been Determined as [●] per Equity Share (including premium of [●] per Equity Share).
- b. **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can make application at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at the Issue Price as determined in terms of Prospectus. Making Application at the Cut-off Price is prohibited for QIBs and NIIs and such Applications from QIBs and NIIs may be rejected.
- c. **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors, minimum application of [●] Equity Shares to ensure that the minimum Application value is not exceeding ₹2,00,000 and not less than ₹ 1,00,000. For Application made by QIBs and Non – Institutional Investors, minimum application of [●] Equity Shares and in multiples of [●] Equity Shares thereafter to ensure that the minimum Application value is exceeding ₹ 2,00,000.
- d. **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum application Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage.

Maximum and Minimum Application Size

- e. The Applicants may apply for the desired number of Equity Shares in multiple of [●] equity shares at Issue Price. Applications by Retail Individual Investors and Retail Individual Shareholders must be for [●] equity shares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹ 2,00,000.

In case the Application Amount exceeds ₹ 2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cutoff Price, then such Application may be rejected.

For NRIs, Application Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹ 2,00,000 may be considered under the Non- Institutional Category for the purposes of allocation.

- f. Application by QIBs and NIIs must be for [●] equity shares such that the Application Amount exceeds ₹2,00,000 and in multiples of [●] Equity Shares thereafter, as may be disclosed in the Application Form and the Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to make application at Cut off Price.
- g. RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after making application and are required to pay the Application Amount upon submission of the Application.
- h. In case the Application Amount reduces to ₹ 2,00,000 or less due to a revision of the Price, Application by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- i. An Application cannot be submitted for more than the net issue size.
- j. The maximum application by any applicant including QIB applicant should not exceed the investment limits prescribed for them under the applicable laws.

Multiple Applications

- k. Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.
- l. Applicants are requested to note the following procedures that may be followed by the Registrar to the Issue to detect multiple Applications:

- i. All Applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple Application by Applicants and may be rejected.
 - ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Application on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. Such Applications which have the same DP ID and Client ID may be treated as multiple applications and are liable to be rejected.
- m. **The following Applications may not be treated as multiple Applications:**
 - i. Applications by Reserved Categories making application in their respective Reservation Portion as well as application made by them in the Issue portion in public category.
 - ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4. FIELD NUMBER 5: CATEGORY OF APPLICANTS

- a. The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b. An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR) Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c. The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to various categories of Application in an issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.
- d. For Issue specific details in relation to allocation, Applicants may refer to the Prospectus.

5. FIELD NUMBER 6: INVESTOR STATUS

- a. Each Applicants should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.
- b. Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c. Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d. Applicants should ensure that their investor status is updated in the Depository records.

6. FIELD NUMBER 7: PAYMENT DETAILS

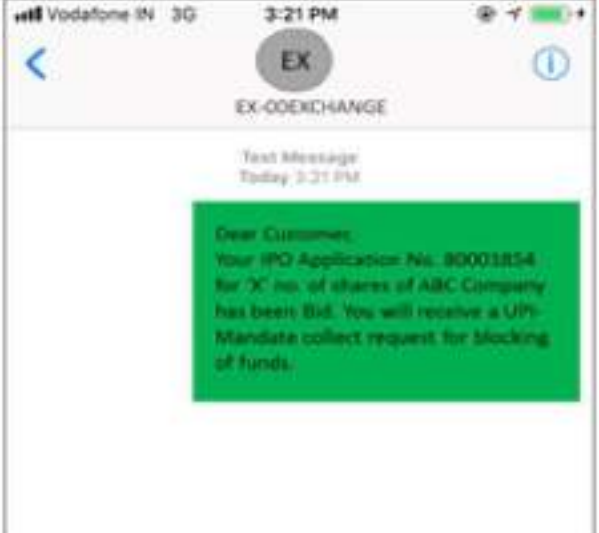

- a. Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b. The full Application Amount shall be blocked based on the authorization provided in the Application Form.
- c. RIIs who make application at Cut-off price shall be blocked on the Cap Price.
- d. All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- e. RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- f. Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

Payment instructions for Applicants (other than Anchor Investors)

- a. From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3- in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non-Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds. For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:

ILLUSTRATIVE SMS	BLOCK REQUEST SMS TO INVESTOR
 A screenshot of a mobile phone screen showing an SMS from 'EX-OOEXCHANGE'. The status bar at the top shows 'Vodafone IN', '3G', and the time '3:21 PM'. The contact name 'EX' is at the top. The message text, displayed in a green box, reads: 'Dear Customer, Your IPO Application No. 80001854 for 'X' no. of shares of ABC Company has been Bid. You will receive a UPI-Mandate collect request for blocking of funds.'	 A screenshot of a mobile phone screen showing an SMS from 'PP-OOOVT-RPSP'. The status bar at the top shows 'Vodafone IN', '3G', and the time '3:21 PM'. The contact name 'PP' is at the top. The message text, displayed in a green box, reads: 'You have received a UPI-Mandate collect request from ABC Company for ₹ 45,000. Login into your app application via and approve the block. Application No. 80001854.'

BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION

BLOCK REQUEST SMS TO INVESTOR



**SAMPLE OF IPO DETAILS IN ATTACHMENT
BLOCK REQUEST INTIMATION THROUGH
UPI APPLICATION**

**POST VERIFICATION OF DETAILS ABOVE
BLOCK REQUEST SMS TO INVESTOR**

1. Enter Details

Investor Details

Investor Name	XYZ	Gen ID	123456
Investor PAN	XXXXXX	Investor Name	XXXXXX

IPO Details

Company Name	XYZ	Price	1000
Quantity	1000	Amount	100000

Payment Details

Bank Name	ABC Bank	Branch Name	XYZ
Account No.	XXXXXX	IFSC Code	XXXXXX

Create Mandate

TO
ABC Company
xyzipo@bank **Verified Merchant**

Mandate Amount
₹ 40000.00

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs.

Frequency
ONETIME

Validity

Start Date 20 JULY 2018	>	End Date 27 JULY 2018
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Users account will be debited within validity period.

REMARKS
Application no 80001834

[Click here to view the attachment](#)

PROCEED

PRE-CONFIRMATION PAGE

ENTERING OF UPI PIN

Please check the below details as the amount will be **blocked** for the validity period and will be debited as per the mandate inputs. In case of non-confirmation of the Mandate, the amount will be unlocked.

Mandate Details

To
ABC Company
xyzipo@bank

AMOUNT
₹ 0000.00

FREQUENCY
ONETIME

VALIDITY
20 JULY 2018 to 27 JULY 2018

REMARKS
Application no 80001834

CANCEL **CONFIRM**

CANCEL

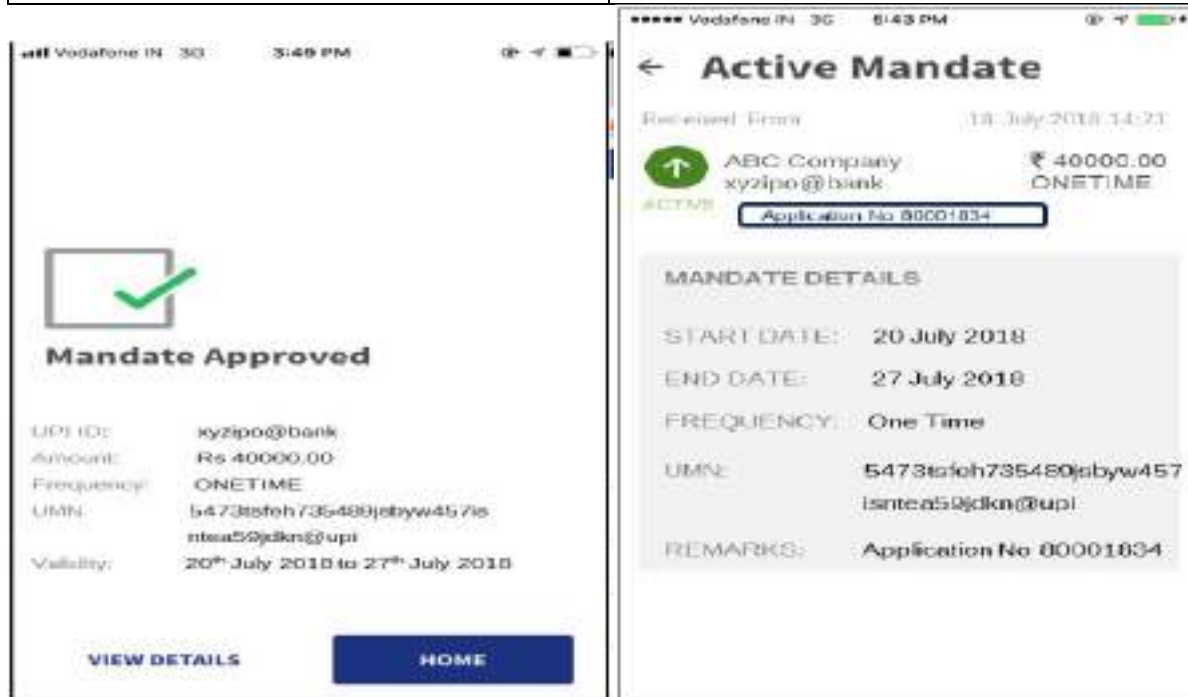
STATE BANK OF INDIA **UPI**

ABC Company **₹ 40000**

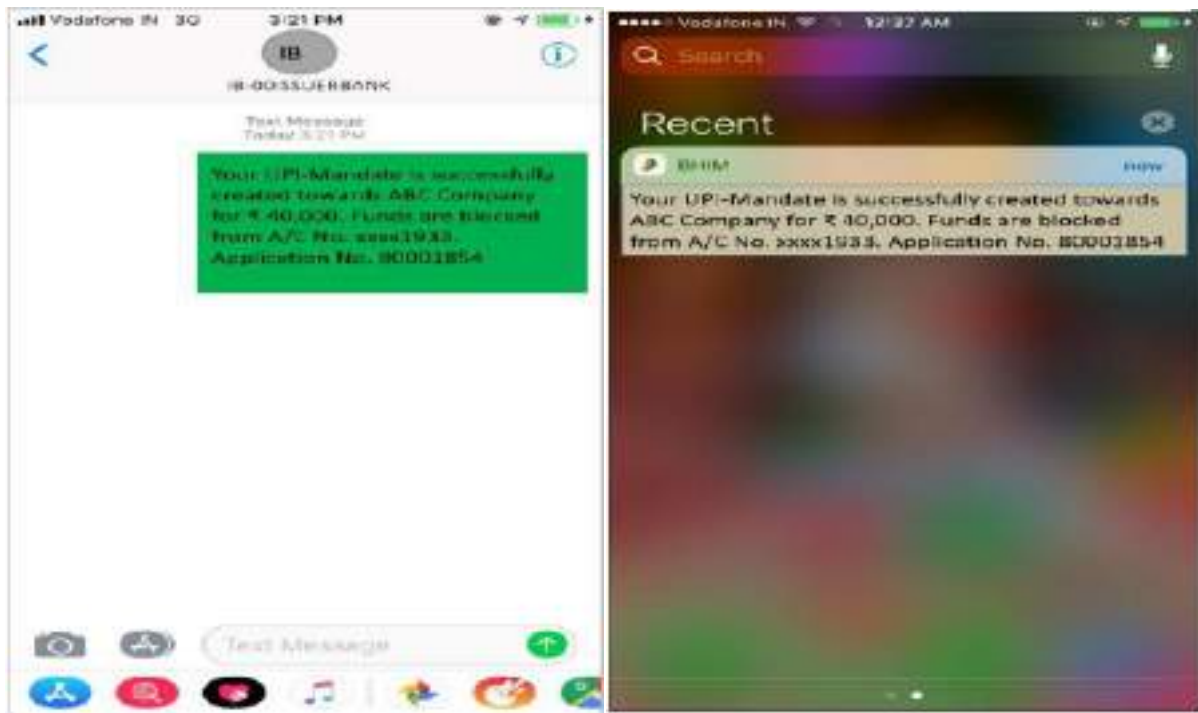
ENTER UPI PIN

1	2	3
4	5	6
7	8	9
⌫	0	SUBMIT

PRE-CONFIRMATION PAGE	ENTERING OF UPI PIN
CONFIRMATION PAGE	APPROVED MANDATES VISIBLE IN UPI APPLICATION



BLOCK CONFIRMATION SMS TO INVESTOR	BLOCK CONFIRMATION APPLICATION INTIMATION
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- b. QIB and NII Applicants may submit the Application Form either;
 - i. to SCSB in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or
 - ii. in physical mode to any Designated Intermediary.
- c. Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- d. Applicants should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- e. Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- f. Applicants should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centers, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- g. Applicants making application through Designated Intermediaries other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- h. Applicants making application directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i. Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- j. If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and for application directly submitted to SCSB by investor, may enter each application details into the electronic bidding system as a separate application.

- k. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.
- l. Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form, please refer to graphical illustrative process of the investor receiving and approving the UPI mandate request provided in clause (a).
- m. The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- n. SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; else their applications are liable to be rejected.

7. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT

- a. Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case maybe, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Application, (iii) the date by which fund transferred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.
- b. On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case maybe, may transfer the requisite amount against each successful Applicants to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c. In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Application Amount in the Relevant Account within four Working Days of the Issue Closing Date.

Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI Mechanism

- d. Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- e. RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
- f. RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.
- g. The Designated Intermediary upon receipt of the Application Form will upload the application details along with UPI ID in the stock exchange bidding platform.
- h. Once the application has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- i. Once the application details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the application details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.

- j. The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- k. The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number /mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the application are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bank to block the application Amount mentioned in the Application Form and Subsequent debit in case of allotment.
- l. Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- m. RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For each modification of the application, the RII will submit a revised application and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- n. RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.
- o. Post closure of the Issue, the stock exchange will share the application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

Discount: NOT APPLICABLE

Additional Payment Instruction for NRIs

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

8. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS

- a. Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b. In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- c. Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder is liable to be rejected.

9. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- a. Applicant should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediary or SCSB, as applicable, for submission of the Application Form.
- b. All communications in connection with Application made in the Issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicant should contact the Registrar to the Issue.
 - ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicant should contact the relevant Designated Branch of the SCSB.
 - iii. Applicants may contact Company Secretary and Compliance Officer of our Company or Lead Manager in case of any other complaints in relation to the Issue
 - iv. In case of queries relating to uploading of Application by a Registered Broker, the Applicant should contact the relevant Registered Broker
 - v. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.
 - vi. In case of Application submitted to the DP, the Applicant should contact the relevant DP.
 - vii. In case of queries relating to uploading of Application through the UPI Mechanism, the Applicant should contact the Sponsor Bank;

- c. The following details (as applicable) should be quoted while making any queries –
- i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.
 - ii. name and address of the Designated Intermediary, where the Application was submitted; or
 - iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment of Application Amount through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.
 - iv. For further details, Applicants may refer to the Prospectus and the Application Form.

B. INSTRUCTIONS FOR FILLING THE REVISION FORM

- a. During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their Application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b. RII may revise / withdraw their Application till closure of the Issue period.
- c. Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- d. The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had made the original Application. It is clarified that RIIs whose original Application is made using the UPI mechanism, can make revision(s) to their Application using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies of the blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

(The remainder of this page is intentionally left blank)

COMMON APPLICATION REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R				FOR RESIDENT FOREIGN, INCLUDING RESIDENT QIBs, NEW INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRI, APPLYING ON A NON-REPAIRED BASIS
	Registered Office: _____ Tel. No.: _____ Fax No.: _____ E-mail: _____ Website: _____ Contact Person: _____ CDD: _____				

LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	FIXED PRICE SME ISSUE ISEN : XXXXXXX	Application Form No. _____
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SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/CDP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr / Ms _____ Address _____ Tel. No. (with STD code / Mobile) _____ 1. PAN OF SOLE/FIRST APPLICANT _____ 2. INVESTOR'S DEPOSITORY ACCOUNT DETAILS NSDL _____ CDSL _____ For NSDL, enter 7 digit DP ID followed by 9 digit Client ID - For CDSL, enter 16 digit Client ID
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	

PLEASE CHOOSE MY APPLICATION <input type="checkbox"/> (PHYSICAL)					
4. FROM (as per last Application to Booklet)					
Options	No. of Equity Shares Application (Application must be in multiples of (x) Equity Shares)		Price per Equity Share (₹) (x)		
	(In Figures)		Issue Price	Discount, if any	Net Price
Option 1					
(OR) Option 2					
(OR) Option 3					

5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cat-GD")					
Options	No. of Equity Shares Application (Application must be in multiples of (x) Equity Shares)		Price per Equity Share (₹) (x)		
	(In Figures)		Issue Price	Discount, if any	Net Price
Option 1					
(OR) Option 2					
(OR) Option 3					

6. PAYMENT DETAILS		PAYMENT OPTION : Full Payment
Additional Amount Blocked (₹ in Figures) _____ (₹ in words) _____		
ASBA Bank A/c No. _____		
Bank Name & Branch _____		
UPI ID _____		
(Maximum 41 characters)		

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED AMENDED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INITIATOR UNDERTAKING" AS GIVEN OVER LEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVER LEAF.

7A. SIGNATURE OF SOLE/FIRST APPLICANT Date: _____, 2019	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB/CDP to act as necessary to make the Application to the issue 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)

LOGO	XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for PHYSICAL INVESTOR / REGISTERED BROKER / SCSB / DP / RTA	Application Form No. _____
DPID / CLID			PAN
Additional Amount Blocked (₹ in Figures)		ASBA Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No./UPI ID			
Received from Mr./Ms.			
Telephone / Mobile		Total	

8. PHYSICAL INVESTOR - FOR NON-REPAIRED BASIS	Option 1	Option 2	Option 3	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Name of Sole / First Applicant	
	No. of Equity Shares					
	Issue Price					
	Additional Amount Blocked (₹)					
ASBA Bank A/c No. / UPI ID						
Bank & Branch						
				Acknowledgement Slip for Applicant		
				Application Form No. _____		

Important Note: Application made using third party UPI ID or ASBA Bank A/c are liable to be rejected.

10. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading “Instructions for Filling the Application Form”.

11. FIELDS 4 AND 5: APPLICATION OPTIONS REVISION ‘FROM’ AND ‘TO’

- a. Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form. For example, if Applicant has applied for [•] equity shares in the Application Form and such applicant is changing number of shares applied for in the Revision Form, the applicant must fill the details of [•] equity shares, in the Revision Form. The Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- b. In case of revision, applicants’ options should be provided by applicants in the same order as provided in the Application Form.
- c. In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, Subsequent to revision, does not exceed ₹ 200,000. In case the Application Amount exceeds ₹ 200,000 due to revision of the Application or for any other reason, the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given only to the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply for and purchase the Equity Shares at the Issue Price.
- d. In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application will be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the RII does not either revise the Application or make additional payment and the Issue Price is higher than the price disclosed in the Prospectus, the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised application at Cut-off Price.
- e. In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revise their application or the excess amount paid at the time of application may be unblocked in case of applicants.

12. PAYMENT DETAILS

- a. All Applicants are required to make payment of the full Application Amount along with the Application Revision Form.
- b. Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant had placed the original application to enable the relevant SCSB to block the additional Application Amount, if any.
- c. In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application may be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the Applicant does not either revise the application or make additional payment and the Price is higher than Issue price disclosed in the Prospectus prior to the revision, the number of Equity Shares applied for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the applicant is deemed to have approved such revised application at the Cut-off Price.
- d. In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at the Cut-off Price, could either revise their application or the excess amount paid at the time of application may be unblocked.

13. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 9 above under the heading “Instructions for Filling the Application Form” for this purpose.

Applicant’s Depository Account and Bank Details

Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code, occupation (hereinafter referred to as 'Demographic Details') or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor our Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Payment by Stock Invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Other instructions

Joint Applications in case of individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- I. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. Our Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration ("GIR") number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

Right to reject applications

In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, our Company has a right to reject Applications based on technical grounds.

Grounds for rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [•];
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where

relevant documents are not submitted;

- Applications accompanied by Stock invest/ money order/ postal order/ cash;
 - Signature of sole Applicant is missing;
 - Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
 - In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
 - Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
 - Applications by OCBs;
 - Applications by US persons other than in reliance on Regulations for "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
 - Applications not duly signed;
 - Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
 - Applications by any person that do not comply with the securities laws of their respective jurisdictions
 - are liable to be rejected;
 - Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
 - Applications by persons who are not eligible to acquire Equity Shares of our Company in terms of all
 - applicable laws, rules, regulations, guidelines, and approvals;
 - Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application
 - Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
 - Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
 - Where no confirmation is received from SCSB for blocking of funds;
 - Applications by Applicants not submitted through ASBA process;
 - Applications not uploaded on the terminals of the Stock Exchange;
 - Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not
 - mentioned as the ASBA Account in the Application Form;
 - ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
 - Submission of Application Form(s) using third party ASBA Bank Account;
 - Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;
 - In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third party bank account;
 - The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

DESIGNATED DATE AND ALLOTMENT

- a. Our Company will ensure that the Allotment and credit to the successful Applicants' depository account will be completed within four Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- b. Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- c. Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, our Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. a tripartite agreement dated December 06, 2023 with NSDL, our Company and Registrar to the Issue;
- b. a tripartite agreement dated December 06, 2023 with CDSL, our Company and Registrar to the Issue;
- c. Our Company's Equity Shares bear an ISIN: INE0S6S01017
 - 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 Exchange having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
 - h) The trading of the Equity Shares of our Company would be only in dematerialized form.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Company Secretary and Compliance Officer of our Company or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;

To the Company HOAC FOODS INDIA LIMITED Registered Office: D-498, 1st Floor Palam Extension Sector-7 Dwarka, Raj Nagar - Ii, South West Delhi, New Delhi, Delhi, India, 110077 Contact Person: Bhawna Agarwal, Company Secretary and Compliance Officer Telephone: +91 97178 38568 Email: info@attahariom.com Website: www.hoacfoodsindia.com CIN: U15120DL2018PLC330739	To the Registrar to the Issue KFIN TECHNOLOGIES LIMITED Registered Address: Selenium Tower- B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032, Telangana, India Contact Person: Mr. M Murali Krishna Tel No.: +91 40 6716 2222 Fax: +91 40 2343 1551 Email: hoacfoods.ipo@kfintech.com Investor Grievance Email: einward.ris@kfintech.com Website: www.kfintech.com SEBI Registration No.: INR000000221 CIN: L72400TG2017PLC117649
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Disposal of applications and application moneys and interest in case of delay

Our Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

Our Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

Impersonation

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

- a. Any person who: makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

Section 447 of the Companies Act, 2013, is reproduced as below:

Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:

Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.

Basis of Allotment

Allotment will be made in consultation with National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [•]equity shares the allotment will be made as follows:
 - a. Each successful applicant shall be allotted [•] equity shares; and
 - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [•]equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [•] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;
 - (a). minimum fifty per cent. to retail individual investors; and
 - (b). remaining to:
 - i) individual applicants other than retail individual investors; and
 - ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

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

Explanation: If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “BASIS OF ALLOTMENT”.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of National Stock Exchange of India Limited.

Basis of Allotment in the event of under-subscription

In the event of under subscription in the Issue, the obligations of the Underwriter 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 Emerge Platform of National Stock Exchange of India Limited – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of Allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

Undertakings by our Company

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;

4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. Adequate arrangements shall be made to collect all Application forms.

Utilization of Issue Proceeds

The Board of Directors certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2. Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in our Company's balance sheet indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;
4. Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Companies Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;

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.

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RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, , FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, , 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap. Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference 373 shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis:

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

Incorporated under the Companies Act, 2013 COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF HOAC FOODS INDIA LIMITED

PRELIMINARY

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company.

INTERPRETATION

2. (1) In these regulations:-

(a) "Company" means * **HOAC FOODS INDIA LIMITED**

(b) "Office" means the Registered Office of the Company.

(c) "Act" means the Companies Act, 2013, and any statutory modification thereof.

(d) "Seal" means the Common Seal of the Company.

(e) "Directors" means the Directors of the Company and include persons occupying the position of the Directors by whether names called.

3. 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 articles become binding on the company.

**** PUBLIC COMPANY**

4. The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. (a) The Authorised Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause 5 of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.

6. 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.

7. The Company in general meeting may decide to issue fully paid up bonus share to the member if so recommended by the Board of Directors.

8. The certificate to share registered in the name of two or more person shall be delivered to first named person in the register and this shall be a sufficient delivery to all such holders.

9. (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 one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) One certificate for all his shares without payment of any charges; or
(b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal, if any and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) 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.

10. (i) 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.

(ii) The provisions of Articles (9) and (10) shall mutatis mutandis apply to debentures of the company.

11. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (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.

12. (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.

(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.

(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.

13. (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.

(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.

14. 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.

15. Subject to the provisions of section 55, any preference shares may, with the sanction of an 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.

16. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

17. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

LIEN

18. (a) (i) The company shall have a first and paramount lien-

(a) 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

(b) 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:

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.

(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.

19. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made-

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) 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.

20. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) 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.

21. (i) 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.

(ii) 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.

CALLS ON SHARES AND TRANSFER OF SHARES

22. (a) (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 share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(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.

(iii) A call may be revoked or postponed at the discretion of the Board.

23. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

25. (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.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

26. (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.

27. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

28. The Board-

(a) 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

(b) 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.

29. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(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.

30. The Board may decline to recognize any instrument of transfer unless-

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) 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

(c) the instrument of transfer is in respect of only one class of shares.

31. 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:

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.

32. The Directors may refuse to register any transfer of shares (1) where the Company has a lien on the shares or (2) where the shares are not fully paid up shares, subject to Section 58 and 59 of the Companies Act, 2013.

33. Subject to Section 58 and 59 of the Act, the Directors may in their discretion, without assigning any reason, refuse to register the transfer of any shares to any person, whom it shall, in their opinion, be undesirable in the interest of the Company to admit to membership.

34. At the death of any members his or her shares be recognised as the property of his or her heirs upon production of reasonable evidence as may require by the Board of Directors.

35. The instrument of transfer must be accompanied by the certificates of shares.

TRANSMISSION OF SHARES

36. (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.

(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.

37. (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—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(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.

38. (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.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(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.

39. 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 been titled 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:

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.

FORFEITURE OF SHARES

40. If a member fails to pay any call, or installment 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 installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

41. The notice aforesaid shall-

- (a) 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
- (b) 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.

42. 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.

43. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

44. (i) 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.
(ii) 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.

45. (i) 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 against all persons claiming to be entitled to the share;
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
(iii) The transferee shall thereupon be registered as the holder of the share; and
(iv) 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.

46. 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.

ALTERATION OF CAPITAL

47. 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.

48. Subject to the provisions of section 61, the company may, by ordinary resolution,—

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) 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.

49. Where shares are converted into stock,—

- (a) 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 the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, 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.

(c) Such of the regulations 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.

50. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

CAPITALISATION OF PROFITS

51. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(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—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(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;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

52. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(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

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(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 in fractions; and

(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;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

53. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

54. All general meetings other than annual general meeting shall be called extra ordinary general meeting.

55. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) 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 extra ordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

56. (i) 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.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

57. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

58. 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.

59. 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.

ADJOURNMENT OF MEETING

60. (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.

(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.

(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.

(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.

VOTING RIGHTS AND PROXY

61. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) 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.

62. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

63. (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.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

64. 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.

65. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

66. 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 paid.

67. (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.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

68. 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.

69. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

70. 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:

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.

BOARD OF DIRECTORS

71. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen).

72. Not less than two-thirds of the total number of Directors of the Company shall:

- (a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and
- (b) save as otherwise expressly provided in the said Act; be appointed by the Company in General Meeting.

73. The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.

74. Subject to the provisions of Section 152 of the Act at every Annual General Meeting, one-third of such 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, then the number nearest to one-third, shall retire from office.

75. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become 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. A retiring Director shall be eligible for re-election.

76. At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

77. (i) The following shall be the First Directors of the Company:

- a) Ms. Gaytri Thakur**
- b) Mr. Rambabu Thakur**

78. The Directors may from time to time, appoint one or more of their body to the office of the Managing Director for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit.

79. Subject to the provisions of section 149, the Board of Directors, at any time and from time to time, to appoint any person as additional Director in addition to the existing Director so that the total number of Directors shall not at any time exceed the number fixed for Directors in these articles, Any Directors so appointed shall hold office only until the next following Annual General Meeting but shall be eligible thereof for election as Director.

80. The Managing Director may be paid such remuneration as may, from time to time, be determined by the Board and such remuneration as may be fixed by way of salary or commission or participation in profits or partly in one way or partly in another subject to the provisions of the Companies Act, 2013.

81(a) (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.

(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-

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

(iii) 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.

(iv) 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.

(v) 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.

82. The quorum necessary for the transaction, of the business of the Board meeting subject to Section 174 of the Act, shall be one third of the total strength or at least two whichever is higher. The participation of the directors by video conferencing or by other audio visual means shall also be count for the purpose of quorum.

83. Subject to section 175 of the Act, a resolution in writing signed by the Director except a resolution which the Act specifically required it to be passed at a Board meeting shall be effective for all purposes as a resolution passed at a meeting of Directors duly called, held and constituted.

PROCEEDINGS OF THE BOARD

84. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(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.

85. (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.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

86. 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.

87. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(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.

88. (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.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

89. (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.

90. (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.

91. 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.

92. 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.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

93. 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.

94. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

COMMON SEAL

- 95. (i) The Common Seal of the Company, if any may be made either of metal or of rubber as the directors may decide.
- (ii) The Board shall provide for the safe custody of the seal, if any.
- (iii) The seal of the company, if any 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, if any is so affixed in their presence.

BORROWING POWERS

96. The Board may, from time to time, and at its discretion, subject to the provisions of the Act and these Articles, accept deposits from Shareholders either in advance of calls or otherwise and generally raise or borrow moneys, either from the Directors, their friends and relatives or from others for the purposes of the Company and/or secure the payment of any such sum or sums of money, provided however, where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in ordinary course of business) and remaining outstanding and undischarged at that time exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company in a General Meeting by an ordinary resolution. The Board may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions as it thinks fit, and in particular by receiving deposits, issue of bonds, debentures perpetual, redeemable, debenture stock, or any security of the Company or by mortgage or charge or other security upon all or any part of the property or undertaking of the Company (both present and future), including its uncalled capital for the time being; provided that the Board shall not give any option or right to any person for making calls on the Shareholders in respect of the amount unpaid for the time being on the Shares held by them, without the previous sanction of the Company in a General Meeting.

97. Subject to section 73 and 179 of the Companies Act, 2013, and Regulations made there under and Directions issued by the RBI the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member or other persons, companies or banks or they may themselves advance money to the company on such interest as may be approved by the Directors.

98. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

OPERATION OF BANK ACCOUNTS

99. The Directors shall have the power to open bank accounts to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person or persons to exercise such powers.

DIVIDENDS AND RESERVE

100. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

101. 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.

102. (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 provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

103. (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.

(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.

(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.

104. 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.

105. (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.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

106. 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.

107. 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.

108. No dividend shall bear interest against the company.

ACCOUNTS

109. (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.

(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.

110. The Directors shall in all respect comply with the provisions of Section 128, 134, 137, 206, 207 and 208, of the Act, and profits and Loss Account, Balance Sheet and Auditors Report and every of the documents required by law to be annexed or attached as the case may be, to the Balance Sheet, to be sent to every member and debenture holder of the Company and every trustee for the holders of the debentures issued by the Company at least twenty one days before the date of Annual general meeting of the Company at which they are to be laid, subject to the provisions of section 136 of the Act.

WINDING UP

111. Subject to the provisions of Chapter XX of the Act and rules made thereunder-

- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

SECRECY

112. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

AUDIT

- 113. (i) Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and Applicable Laws. Where applicable, a Secretarial Auditor shall be appointed by the Board and their rights and duties regulated in accordance with Sections 204 of the Act and Applicable Laws.
- (ii) Subject to the provisions of Section 139 of the Act and rules made thereunder, the Statutory Auditors of the Company shall be appointed for a period of five consecutive years.
- (iii) Provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act or Applicable Laws.
- (iii) The remuneration of the Auditors shall be fixed by the Company in Annual general meeting or in such manner as the Company in general meeting may determine.

INDEMNITY AND INSURANCE

114. 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.

115. Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified 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 discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

116. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

117. Balance sheet and Profit and Loss Account of the company will be audited once in a year by a qualified auditor for certification of correctness as per provisions of the Companies Act, 2013.

GENERAL POWER

118. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

*** Amended by passing special resolution in Extra Ordinary General Meeting held on Monday, October 25, 2021
i.e. from HOAC MP ATTA SPICES MANUFACTURE PRIVATE LIMITED to HOAC FOODS INDIA PRIVATE
LIMITED**

*** Amended by passing special resolution in Extra Ordinary General Meeting held on Friday, October 13, 2023
i.e. from HOAC FOODS INDIA PRIVATE LIMITED to HOAC FOODS INDIA LIMITED**

**** Amended by passing special resolution in Extra Ordinary General Meeting held on Friday, October 13, 2023
i.e. conversion from Private Limited Company to Public Company.**

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SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from date of the Draft Prospectus until the Issue Closing Date and it shall also made available for inspection on website of the company i.e www.hoacfoodsindia.com;

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Issue

- a) Issue Agreement dated February 14, 2024 entered between our Company and the Lead Manager.
- b) Registrar Agreement dated February 02, 2024 entered into amongst our Company and the Registrar to the Issue.
- c) Tripartite Agreement dated December 06, 2023 between our Company, NSDL and the Registrar to the Issue.
- d) Tripartite Agreement dated December 06, 2023 between our Company, CDSL and the Registrar to the Issue
- e) Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
- f) Underwriting Agreement dated [●] between our Company and the Underwriters.
- g) Banker to the Issue Agreement dated [●] among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.

B. Material Documents

- a) Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
- b) Resolutions of our Board of Directors dated January 15, 2024, in relation to the Issue and other related matters;
Shareholders' resolution dated January 17, 2024 in relation to this Issue and other related matters;
- c) Resolution of the Board of Directors of the Company dated February 21, 2024, taking on record and approving this Draft Prospectus.
- d) The examination report dated February 16, 2024 of our Peer Reviewed Auditors on our Restated Financial Statements, included in this Prospectus;
- e) Copies of the annual reports of the Company for the Fiscals 2023, 2022, 2021;
- f) Statement of Tax Benefits dated February 17, 2024 from the Peer Reviewed Auditor included in this Draft Prospectus;
- g) Consent of the Promoter, Directors, the Lead Manager, the Legal Counsel to our Issue, the Registrar to the Issue, the Company Secretary and Compliance Officer and the Chief Financial Officer, to act in their respective capacities;
- h) Consent of the Peer Reviewed Auditors, M/s Krishan Rakesh & Co., Chartered Accountants, to include their name in this Draft Prospectus and as an "Expert" defined under Section 2(38) of the Companies Act, 2013, read with Section 26 of the Companies Act, 2013, in respect of the reports of the Peer Reviewed Auditors on the Restated Financial Statements dated February 17, 2024 and the statement of special tax benefits dated February 17, 2024 included in this Draft Prospectus;
- i) Due diligence certificate dated February 21, 2024 issued by Lead Manager LM
- j) In principle listing approval dated [●] issued by National Stock Exchange of India Limited;

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY



Rambabu Thakur
Managing Director

Place: Delhi

Date: February 21, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

गायत्री

Gaytri Thakur
Director

Place: Delhi
Date: February 21, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY.



Yashwant Thakur
Chairman & Non-Executive Director

Place: Delhi
Date: February 21, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY



Mukesh Garg

Non-Executive Independent Director

Place: Delhi

Date: February 21, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

A handwritten signature in blue ink, appearing to read 'Mamta', with a horizontal line underneath it.

Mamta

Non-Executive Independent Director

Place: Delhi

Date: February 21, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY


Manish Sharma
Chief Financial Officer

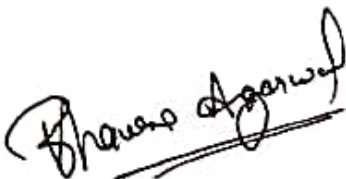
Place: Delhi

Date: February 21, 2024

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY



Bhawna Agrawal
Company Secretary & Compliance Officer

Place: Delhi

Date: February 21,
2024