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Draft Prospectus
Dated: March 09, 2023
Please read sections 26 & 32 of the Companies Act, 2013
Fixed Price Issue



CITY CROPS AGRO LIMITED
CIN: U51200GJ2013PLC074296

Registered & Corporate Office		Contact Person	Email and Telephone	Website
A-208, Titanium City Centre, Near Sachin Tower, 100 Ft Ring Road, Satellite, Ahmedabad, Gujarat – 380015, India		Ms. Zalakben Chintan Gajjar Company Secretary & Compliance Officer	Email ID: cs@citycropagro.in Tel No: +91 9428714136	www.citycropagro.in
NAMES OF PROMOTERS OF THE COMPANY				
Mr. Kaupilkumar Hasmukhbhai Shah and Mrs. Shitalben Kaupilkumar Shah				
DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS				
Type	Fresh Issue Size (In Rupees Lakhs)	OFS Size (In Rupees Lakhs)	Total Issue Size (In Rupees Lakhs)	Eligibility
FRESH ISSUE	1500	NIL	1500	THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED
Initial Public Offer of 60,00,000 Equity Shares of Rs. 10 Each (“Equity Shares”) Aggregating to Rs. 150.00 Lakhs (“The Issue”)				
This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations and 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.				
Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders: - NIL -				
RISKS IN RELATION TO THE FIRST ISSUE – The face value of the Equity Shares is Rs.10/- each. The Issue Price of Rs. 25/- per equity share (determined and justified by our Company in consultation with the Lead Manager as stated in “Basis for Issue Price” on page 60 of this Draft Prospectus) should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.				
GENERAL RISK				
Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision on 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 to the section “Risk Factors” beginning on page 18 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 the Issue, which is material in the context of the 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 Issued through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”) . For the purpose of this Issue, BSE Limited (“BSE”) is the Designated Stock Exchange .				
LEAD MANAGER TO THE ISSUE			REGISTRAR TO THE ISSUE	
 TURNAROUND CORPORATE ADVISORS PRIVATE LIMITED CIN: U74140DL2015PTC278474 714, Vishwadeep Bulding, Plot No. 4, District Centre, Janak Puri, New Delhi - 110058 Contact Person: Mr. Heemadri Mukerjea Telephone: +91 -11-45510390, +91-11-41395590 Email: info@tcagroup.in Website: https://tcagroup.in Investor Grievance Email: complaints@tcagroup.in SEBI Registration No: INM000012290			 SKYLINE FINANCIAL SERVICES PRIVATE LIMITED CIN: U74899DL1995PTC071324 D-153A, 1 st Floor, Okhla Industrial Area Phase-1, New Delhi-110020 Contact Person: Mrs. Rati Gupta Telephone: +91-11-40450193-197 Email: ipo@skylinerta.com Investor Grievance E-Mail: grievances@skylinerta.com Website: www.skylinerta.com SEBI Registration No.: INR000003241	
ISSUE PROGRAMME				
ISSUE OPENS ON: [●]			ISSUE CLOSES ON: [●]	



CITY CROPS AGRO LIMITED
CIN: U51200GJ2013PLC074296

Our Company was originally incorporated as a Private Limited Company in the name of “*Bhagya Agro-Care Private Limited*” on April 02, 2013 under the provisions of the Companies Act, 1956 bearing Corporate Identification Number **U51200GJ2013PTC074296** issued by the Registrar of Companies – Gujarat, Dadra and Nagar Haveli. Subsequently, the name of our company was changed to “City Crops Agro Private Limited” and a fresh certificate of incorporation was obtained on December 06, 2021. Further, our company was converted into Public Limited Company under the provisions of the Companies Act, 2013 and the name of our Company was changed to “*City Crops Agro Limited*” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated December 27, 2021 bearing Corporate Identification Number **U51200GJ2013PLC074296** issued by the Registrar of Companies, Ahmedabad. For further details of change in name and registered office of our Company, please refer to chapter titled “*Our History and Certain Corporate Matters*” beginning on page no 94 of the Draft Prospectus.

Registered Office: A-208, Titanium City Centre, Near Sachin Tower, 100 Ft Ring Road, Satellite, Ahmedabad, Gujarat – 380015, India
Contact Person: Ms. Zalakben Chintan Gajjar, Company Secretary & Compliance Officer; **Tel No:** +91 9428714136;
Email: cs@citycropagro.in **Website:** www.citycropagro.in

OUR PROMOTERS: MR. KAUPILKUMAR HASMUKHBHAI SHAH AND MRS. SHITALBEN KAUPILKUMAR SHAH

THE ISSUE	
<p>INITIAL PUBLIC OFFER OF 60,00,000 EQUITY SHARES OF FACE VALUE OF Rs.10/- EACH (“EQUITY SHARES”) OF CITY CROPS AGRO LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF Rs. 25/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF Rs.15/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO Rs. 1,500 LAKHS (“THE ISSUE”), OF WHICH 3,00,000 EQUITY SHARES OF FACE VALUE OF Rs.10/- EACH FOR CASH AT A PRICE OF Rs.25/- PER EQUITY SHARE, AGGREGATING TO Rs.75 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 57,00,000 EQUITY SHARES OF FACE VALUE OF Rs.10/- EACH FOR CASH AT A PRICE OF Rs.25/- PER EQUITY SHARE, AGGREGATING TO Rs.1425 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 36.77% AND 34.93% RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY.</p>	
<p>THE FACE VALUE OF THE EQUITY SHARE IS RS.10/- EACH AND THE ISSUE PRICE IS RS. 25/- EACH I.E., 2.5 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS 6,000 EQUITY SHARES</p>	
<p>IN TERMS OF RULE 19(2)(B)(I) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (THE “SCRR”), THIS ISSUE IS BEING MADE FOR AT LEAST 25% OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY. THIS ISSUE IS BEING MADE THROUGH FIXED PRICE PROCESS IN ACCORDANCE AND IN COMPLIANCE WITH CHAPTER IX AND OTHER APPLICABLE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED FROM TIME TO TIME (“SEBI (ICDR) REGULATIONS, 2018”), WHEREIN A MINIMUM 50% OF THE NET ISSUE IS ALLOCATED FOR RETAIL INDIVIDUAL APPLICANTS AND THE BALANCE SHALL BE OFFERED TO INDIVIDUAL APPLICANTS OTHER THAN RETAIL INDIVIDUAL APPLICANTS AND OTHER INVESTORS INCLUDING CORPORATE BODIES OR INSTITUTIONS, QIBS AND NON-INSTITUTIONAL APPLICANTS. HOWEVER, IF THE AGGREGATE DEMAND FROM THE RETAIL INDIVIDUAL APPLICANTS IS LESS THAN 50%, THEN THE BALANCE EQUITY SHARES IN THAT PORTION WILL BE ADDED TO THE NON-RETAIL PORTION OFFERED TO THE REMAINING INVESTORS INCLUDING QIBS AND NIIS AND VICE-VERSA SUBJECT TO VALID APPLICATIONS BEING RECEIVED FROM THEM AT OR ABOVE THE ISSUE PRICE. ADDITIONALLY, IF THE RETAIL INDIVIDUAL APPLICANTS CATEGORY IS ENTITLED TO MORE THAN FIFTY PER CENT ON PROPORTIONATE BASIS, THE RETAIL INDIVIDUAL APPLICANTS SHALL BE ALLOCATED THAT HIGHER PERCENTAGE. FOR FURTHER DETAILS PLEASE REFER THE CHAPTER TITLED ‘THE ISSUE’ BEGINNING ON PAGE 33.</p>	
RISK IN RELATION TO THE FIRST ISSUE	
<p>This being the first Issue of Equity Shares of City Crops Agro Limited, there has been no formal market for the Equity Shares of the Company. The face value of the Equity Shares is Rs. 10 and Issue price of Rs. 25 is 2.5 times of the face value. The Issue price (as determined and justified by the Company in consultation with Lead Manager as stated in Chapter titled “Basis for Issue Price” on page 60) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company or regarding the price at which the Equity Shares will be traded after listing.</p>	
GENERAL RISKS	
<p>Investment in equity and equity-related securities involves 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 “<i>Risk Factors</i>” beginning on page no. 18 of this Draft Prospectus.</p>	
ISSUER’S ABSOLUTE RESPONSIBILITY	
<p>The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
LISTING	
<p>The Equity Shares of our company issued through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited. In terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our company has received an “in-principal” approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the BSE SME. For the purposes of the issue, the Designated Stock Exchange will be BSE Limited (“BSE”).</p>	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p>TURNAROUND CORPORATE ADVISORS PRIVATE LIMITED 714, Vishwadeep Bulding, Plot No. 4, District Centre, Janak Puri, New Delhi - 110058 Telephone: +91 -11-45510390, +91-11 41395590 Email: info@tcagroup.in Contact Person: Mr. Heemadri Mukerjee Website: https://tcagroup.in Investor Grievance Email: complaints@tcagroup.in SEBI Registration No: INM000012290 CIN No: U74140DL2015PTC278474</p>	 <p>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED D-153A, 1st Floor, Okhla Industrial Area Phase-1, New Delhi-110020 Telephone: +91-11-40450193-197 Email: ipo@skylinerta.com Contact Person: Mrs. Rati Gupta Website: www.skylinerta.com SEBI Registration Number: INR000003241 CIN No: U74899DL1995PTC071324</p>
ISSUE PROGRAMME	
ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

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SECTION I : GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below, and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rule guidelines or policy as amended 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 meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing terms used in of the sections/chapters “Statement of Possible Tax Benefits”, “Financial Statements”, “Main Provisions of the Article of Association”, “Basis for issue price” , “Our History and Certain Corporate Matters”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigations and Material Developments” beginning on pages 62, 113, 193, 60, 94, 153 and 147 respectively, shall have the meaning ascribed to such terms in the relevant section.

If there is any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.

General Terms

TERMS	DESCRIPTIONS
“City Crops Agro Limited”, “City Crops”, “The Company”, “Our Company”, “We”, “Us”, “Our”, “Issuer Company” or “Issuer”	Unless the context otherwise indicates or implies “ <i>City Crops Agro Limited</i> ”, formerly known as City Crops Agro Private Limited, a Public Limited Company incorporated under the provision of Companies Act, 1956 and having its Registered Office at A-208, Titanium City Centre, Near Sachin Tower, 100 Ft Ring Road, Satellite, Ahmedabad, Gujarat – 380015, India
Our Promoters or Promoters of the Company	The promoters of our company being Kaupilkumar Hasmukhbhai Shah and Shitalben Kaupilkumar Shah
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 and as disclosed under chapter titled “Our Promoters and Promoter Group”

Company related terms

TERMS	DESCRIPTIONS
“Articles” or “Articles of Association” or “AOA”	The Articles of Association of our Company, as amended from time to time.
Auditor/Statutory Auditor/ Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being VSSB & Associates having its office A-912, Ratnaakar Nine Square, Opp. Keshavbaug Party Plot, Vastrapur, Ahmedabad – 380015
Audit Committee	Audit Committee of our Company constituted in accordance with Companies Act, 2013 as disclosed in the chapter titled “ Our Management ” on page no. 97 of this Draft Prospectus.
“Board of Director(s)” or “the/our Board”	Unless otherwise specified, The Board of Directors of our Company, as duly constituted from time to time, including any committee(s) thereof.
“CFO” or Chief Financial Officer	The Chief Financial Officer of our company being “Mr. Kaupilkumar Hasmukhbhai Shah”.
CIN	Corporate Identification Number being U51200GJ2013PLC074296 of our Company
Companies Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder

Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder.
Company Secretary & Compliance Officer	The Company Secretary & Compliance Officer of our company being “Zalakben Chintan Gajjar”.
Corporate Office	Corporate Office of the Company is same as registered office.
Corporate Social Responsibility Committee	Corporate Social Responsibility Committee in accordance with Companies Act, 2013 as disclosed in the chapter titled “Our Management” on page no. 97 of this Draft Prospectus.
DIN	Directors Identification Number
Director/Director(s)	The directors of our Company, unless otherwise specified
ED	Executive Director
Equity Shares	The Equity Shares of our Company of face value of Rs.10/- each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholders	Persons/Entities holding Equity Shares of our Company.
Export	Export means taking goods out of India to a place outside India
Group Companies/Entities	Such companies with which there were related party transactions, during the period for which financial information is disclosed in this Draft Prospectus, which are covered under the applicable accounting standards and other companies as considered material by our Board, as identified in “Group Entities of our Companies” on page no. 110 of this Draft Prospectus
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standard
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended
Ind GAAP	Generally Accepted Accounting Principles in India.
Import	Import means bringing goods into India from a place outside India
Independent Director	Non-executive & Independent Director as per the Companies Act, 2013
IT Act	The Income Tax Act, 1961 as amended till date and the SEBI LODR Regulations. For details of the Independent Directors, see “Our Management” on page 97
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
ISIN	International Securities Identification Number In this case being “INE0M7501019”
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations 2018, Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “Our Management” beginning on page no. 97 of this Draft Prospectus.
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board in accordance with the requirements of the SEBI (ICDR) Regulations
Memorandum/Memorandum of Association / MoA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	Nomination and Remuneration committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the chapter titled “Our Management” on page no. 97 of this Draft Prospectus.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Promoters	Shall mean promoters of our Company as mentioned in this Draft Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the chapter titled “Our Promoter and Promoter Group” beginning on page no. 107 of this Draft Prospectus.
Registered Office	Registered Office of the Company is presently situated at A-208, Titanium City Centre, Near Sachin Tower, 100 Ft Ring Road, Satellite, Ahmedabad, Gujarat – 380015, India

Restated Financial Statement	Audited Financial Statements for six months ended 30 th September, 2022 and the financial Years ended 31 st March 2022, 31 st March 2021 and 31 st March 2020 as restated in accordance with SEBI (ICDR) Regulations.
RoC/Registrar of Companies	The Registrar of Companies, Ahmedabad
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
Shareholders	Shareholders of our Company
Subscriber to MOA	Initial Subscriber to MOA
WTD	Whole Time Director
Stakeholders Relationship Committee	Stakeholder's relationship committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the chapter titled "Our Management" on page no. 97 of this Draft Prospectus.
Willful Defaulter(s) or Fraudulent Borrower(s)	A person or an issuer who or which is categorized as a willful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters or fraudulent borrowers issued by the Reserve Bank of India, as defined under Regulation 2(1)(iii) of SEBI ICDR Regulations 2018.

Issue Related Terms

TERMS	DESCRIPTIONS
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allot/Allotment/Allotted of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of the Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	A successful Applicant (s) to whom the Equity Shares are being/have been issued/allotted.
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application Form.
Application	An indication to make an offer during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of this Draft Prospectus.
Application Supported by Blocked Amount or ASBA or UPI	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account including the bank account linked with UPI ID. Pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a Retail Individual Investor which is blocked upon acceptance of a UPI Mandate Request made by the Retail Individual Investors using the UPI Mechanism
ASBA Applicant(s)	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this Draft Prospectus.
ASBA Forms	An application form (with or without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the Draft Prospectus.
ASBA Application Location(s) / Specified Cities	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on https://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.
Banker to the Issue	Bank which are clearing members and registered with SEBI as banker to an issue and with whom the Public Issue Account will be opened, in this case being "[●]".

Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described in the chapter titled, "Issue Procedure – Basis of Allotment" beginning on page no. 175 of this Draft Prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers, are available on the website of the BSE on the following link: http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue.
Business Day	Monday to Saturday (except 2 nd & 4 th Saturday of a month and public holidays).
BSE	BSE Limited
BSE SME	The SME Platform of BSE Limited, as per the Rules and Regulations laid down by SEBI for listing of equity shares
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collection Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository/Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depositories Act	Depositories Act, 1996, as amended from time to time
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated Date	The date on which the funds are transferred by the Escrow Collection Bank from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account, as appropriate in terms of the Draft Prospectus and the aforesaid transfer and instructions shall be issued only after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediaries/Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Forms from the ASBA Applicants and a list of which is available on the website of SEBI at http://www.sebi.gov.in
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., www.bseindia.com
Designated Stock Exchange	BSE Limited

Draft Prospectus	The Draft Prospectus dated March 09, 2023 issued in accordance with Section 26 & 32 of the Companies Act, 2013 filed with BSE Limited under SEBI (ICDR) Regulations.
DP	Depository Participant.
DP ID	Depository Participant's Identity number.
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe for the Equity Shares Issued herein on the basis of the terms thereof.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Equity Shares	Equity Shares of our Company of face value Rs.10/- each.
FII/Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document / GID	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 UPI circulars, as amended from time to time.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering
Issue/Public Issue/Issue Size Initial Public Issue/IPO	Public issue of 60,00,000 Equity Shares of face value of Rs.10/- each of our Company for cash at a price of Rs.25/- per Equity Share at par aggregating to Rs. 1500.00 Lakhs by our Company, in terms of this Draft Prospectus.
Issue Agreement	The Issue Agreement dated February 09, 2023 between our Company and Lead Manager.
Issue Closing Date	The date on which Issue Closes for Subscription i.e. [●]
Issue Opening Date	The date on which Issue Opens for Subscription i.e. [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Investors may submit their application.
Issue Price	The price at which Equity Shares are being issued by our Company being Rs. 25/- per Share.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please refer to chapter titled "Objects of the Issue" beginning on page no. 54 of this Draft Prospectus.
Lead Manager/LM	Means a merchant banker registered with the Board and appointed by the issuer to manage the issue and in case of a book-built issue, the lead manager(s) appointed by the issuer shall act as the book running lead manager(s) for the purposes of book building. Lead Manager to the Issue, in this case being "Turnaround Corporate Advisors Private Limited".
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the BSE. In our case, [●] Is the Market Maker to the Issue.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	Up to 3,00,000 Equity Shares of Rs.10/- each fully paid-up of our Company for cash at a price of Rs. 25/- per Equity Share aggregating to Rs. 75 Lakhs only.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on June 25, 2022 in accordance with the requirements of the SEBI (ICDR) Regulations.

Mutual Fund(s)	Mutual fund (s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to 57,00,000 Equity Shares of face value Rs.10/- each for cash at an Issue price of Rs. 25/- per Equity Share (the “Issue Price”), aggregating up to Rs. 1,425 Lakhs Only.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India and Indian Banks Association (IBA)
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Non-Institutional Investors or NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than Rs. 2.00 Lakh (but not including NRIs other than Eligible NRIs).
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body / OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Other Investors	Investors other than Retail Individual Investors. These include individual Applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust, or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
PIT	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
Prospectus	The prospectus dated [●] filed with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013 and SEBI ICDR Regulations.
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Accounts on the Designated Date.
Qualified Foreign Investors/QFIs	A qualified foreign investor as defined in SEBI FPI Regulations
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Registrar to the Issue/RTI	Registrar to the Issue in our case being “Skyline Financial Services Pvt Ltd”.
Registrar Agreement	The agreement dated August 29, 2022 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category (ies)	Categories of persons eligible for making application under reservation portion.
Retail Individual Investors/RIIs	Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs.2.00 Lakh in this Issue.

Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
RIA	Registered Investment Advisors
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	SEBI (Foreign Venture Capital Investors) Regulations, 2000
Self-Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, Issuing Services in relation to ASBA, a list of which is available on the website of SEBI at https://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
Specified Locations	Collection Centers where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank	[●] Bank, registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
SEBI (ICDR) Regulations / ICDR Regulation / Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2020 and as amended thereto, including instructions and clarifications issued by SEBI from time to time
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SME Exchange	The SME Platform of the BSE i.e. BSE SME
Transaction Registration Slip /TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI Pin	Password to authenticate UPI transaction
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI

UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the Retail Individual Investor to such UPI linked mobile application) to the Retail Individual Investor 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 a Retail Individual Investor in accordance with the UPI Circulars to make an ASBA Bid in the Issue
UPI Pin	Password to authentic UPI Transaction
Underwriters	Underwriter to this issue being [●]
Underwriting Agreement	The Underwriting Agreement dated [●] entered into between our Company and the Underwriters.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	Means all days on which commercial banks in Ahmedabad are open for business. However, till issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Ahmedabad are open for business. The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the Board, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of regulation 2(1)(mmm) of SEBI ICDR Regulations 2018.

Conventional and General Terms

TERMS	DESCRIPTIONS
ACIT	Assistant Commissioner of Income Tax.
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
ASBA	Application Supported by Blocked Amount
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981.
BV / NAV	Book value / Net Asset Value
Category I Foreign Portfolio Investor(s)	FPIs who are registered as “Category I foreign portfolio investor” under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as “Category II foreign portfolio investor” under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as “Category III foreign portfolio investor” under the SEBI FPI Regulations.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made there under.
Companies Act/Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made there under.
Competition Act	The Competition Act, 2002.
FCNR Account	Foreign currency non-resident account.
FCRA	Foreign Contribution (Regulation) Act, 2010
FDI Policy 2017/FDI Policy	The Consolidated FDI Policy, effective from August 28, 2017, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there under
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2017 and as amended from time to time.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal/ Fiscal Year/F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.
FMS	Facility Management Services
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.

Fugitive economic offender	“Fugitive economic offender” shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
Income Tax Act or the I.T. Act	The Income Tax Act, 1961.
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016, as amended.
IRDA	Insurance Regulatory and Development Authority
LLP Act	The Limited Liability Partnership Act, 2008.
NBFC	Non-banking Financial Company
NBFC – ND – SI	Systemically Important Non-Deposit Taking NBFC
NBFC – SI	Systemically important non-banking financial company, as covered under Regulation 2(1)(ss)(xiii) of the SEBI ICDR Regulations
NCR	National Capital Region
Notified Sections	The sections of the Companies Act, 2013, that have been notified by the Government as having come into effect prior to the date of this Draft Prospectus.
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
PoSH	Prevention of Sexual Harrassment under the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013
RBI Act	Reserve Bank of India Act, 1934.
Rule 144A	Rule 144A under the Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The 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 FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI (LODR) Regulations/ SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
Securities Act	U.S. Securities Act of 1933, as amended.
State Government	The government of a state of the Union of India.
STT	Securities Transaction Tax.
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporate or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations.
Wilful Defaulter or a Fraudulent Borrower	Wilful defaulter or a fraudulent borrower means a person or an issuer who or which is categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India

Technical and Industry related terms

TERMS	DESCRIPTIONS
ASSOCHAM	Associated Chambers of Commerce of India
BPM	Business Process Management
BIS	Bureau of Indian Standard
CAGR	Compounding Annual Growth Rate
CPI	Consumer Price Index
CSO	Central Statistics Office's
CY	Calendar Year
DIPP	Department of Industries Policy and Promotion
EPFO	Employees' Provident Fund Organization
ESI	Employee State Insurance
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Service Tax
GVA	Gross Value Added
G-sec	Government Securities
IBEF	Indian Brand Equity Foundation
ICAI	The Institute of Chartered Accountants of India
IIP	Industrial Production
IMF	International Monetary Fund
INR	Indian Rupee Rates
JPC	Joint Plant Committee
KYC	Know Your Customer
MAT	Minimum Alternate Tax
MICR	Magnetic Ink Character Recognition (nine digit code as appearing on a cheque leaf)
MNC	Multinational Corporation
Mn, mn	Million
mt	million tonnes
MOU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
MVC	Model View Controller
MYEA	Mid-Year Economic Analysis
NITI Aayog	National Institution for transforming India
NIP	National Infrastructure Pipeline
PMA	Preferential Market Access
PSUs	Private Sector Units
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
SEZ	Special Economic Zone
US	United States
WPI	Wholesale Price Index

Abbreviations

TERMS	DESCRIPTIONS
Rs. or Rs. or Rupees or INR	Indian Rupees.
AGM	Annual General Meeting.
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
A. Y.	Assessment year.
BC	Before Christ.
BPLR	Bank Prime Lending Rate.
BSE	BSE Limited.
CARO	Companies (Auditor's Report) Order, 2003.
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CIN	Corporate Identity Number.
CLB	Company Law Board.
CrPC	Criminal Procedure Code, 1973, as amended.

CSR	Corporate Social Responsibility.
DIN	Director Identification Number.
DP ID	Depository participant's identification.
ECS	Electronic Clearing System.
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation.
EGM	Extraordinary General Meeting of the Shareholders of the Company.
EPS	Earnings Per Share.
ESOS	Employee Stock Option Scheme.
FDI	Foreign direct investment.
FIPB	Foreign Investment Promotion Board.
GAAR	General anti avoidance rules.
GIGW	Guidelines for Indian Government Websites
GIR	General index register.
GoI/Government	Government of India.
GST	Goods & Service Tax
HNI	High Net Worth Individual.
HUF	Hindu Undivided Family.
IAAS	Infrastructure As A Service
ICAI	Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
IFSC	Indian Financial System Code
Indian GAAP	Generally Accepted Accounting Principles in India.
ISO	International Organization for Standardization.
IT Act	The Income Tax Act, 1961, as amended.
IT Rules	The Income Tax Rules, 1962, as amended.
JV	Joint Venture.
MCA	Ministry of Corporate Affairs, Government of India.
MoU	Memorandum of Understanding.
N.A.	Not Applicable.
NAV/Net Asset Value	Net asset value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares.
NECS	National Electronic Clearing Services.
NEFT	National Electronic Fund Transfer.
NoC	No Objection Certificate.
No.	Number.
NR	Non-Resident.
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets.
p.a.	Per annum.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
P/E Ratio	Price per Earnings Ratio.
Pvt.	Private.
RBI	Reserve Bank of India.
RoC	Registrar of Companies.
RONW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCN	Show Cause Notice.
SCSB	Self-Certified Syndicate Bank.
SME	Small and Medium Enterprises
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
UIN	Unique Identification Number.
UK	United Kingdom
U.S./U.S.A.	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America.
VAT	Value Added Tax.
w.e.f.	With effect from
YoY	Year on Year.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY & MARKET DATA, AND CURRENCY OF PRESENTATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to “India” in this Draft Prospectus are to the Republic of India.

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

In this Draft Prospectus, the terms “City Crops Agro Limited”, “City Crops”, “The Company”, “Our Company”, “We”, “Us”, “Our”, “Issuer Company” or “Issuer” unless the context otherwise indicates or implies, refers to “City Crops Agro Limited”.

In this Draft Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lacs / Lakhs”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crores”. In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Financial Data

Unless stated otherwise, the financial information in this Draft Prospectus are extracted from the restated Financial Statements of our Company as of and for the half year ended September 30, 2022 and financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020 prepared in accordance with Indian GAAP and restated in accordance with the SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the chapter titled “Restated Financial Information” beginning on page no. 118 of this Draft Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. 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 decimals have been rounded off to two decimal points.

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

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Prospectus, including in the chapters titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on page no. 18, 79 and 138 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this Draft Prospectus.

Currency and Units of Presentation

All references to “Rupees”, “Rs.”, “INR” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. All references to “£” or “GBP” are to Great Britain Pound, the official currency of the United Kingdom. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America

Our Company has presented certain numerical information in this Draft Prospectus in “Lakh” units. One lakh represents 1,00,000. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million and ‘billion / bn/ Billions’ means ‘one hundred crores’

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been derived from Ministry of Statistics and Programme Implementation (MOSPI), RBI, Press Information Bureau, Department of Industrial Policy & Promotion, India Brand Equity Foundation and industry publications etc. Industry 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 are not guaranteed, and their reliability cannot be assured. Although, we believe that the industry and market data used in this Draft Prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the Section titled "Risk Factors" beginning on page no. 18 of this Draft Prospectus. Accordingly, investment decisions should not be based on such information.

Exchange Rates

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

FORWARD-LOOKING STATEMENTS

The Company has included statements in this Draft Prospectus which contain words or phrases such as “may”, “will”, “aim”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “potential” and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All statements regarding the expected financial condition and results of operations, business, plans and prospects are forward- looking statements. These forward-looking statements include statements as to the business strategy, the revenue, profitability, planned initiatives. These forward-looking statements and any other projections contained in this Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the chapters titled “*Risk Factors*”; “*Industry Overview*”; “*Our Business*”; and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*”; beginning on page nos. 18, 66, 79 and 138, respectively, of this Draft Prospectus.

The forward-looking statements contained in this Draft Prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

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

- Impact of COVID-19 on our business and operations.
- Our ability to compete effectively.
- General economic and business conditions in India and other countries;
- Increase in price and material components
- Fluctuation in other operating costs
- Ability to retain the customers is heavily dependent upon various factors including our reputation and our ability to maintain a high level of product/Service quality including our satisfactory performance for the customers;
- We operate in a significantly fragmented and competitive market in each of our business segments;
- Regulatory changes relating to the finance and capital market sectors in India 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 that have an impact on our 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 and foreign laws, regulations and taxes and changes in competition in our industry;
- Changes in the value of the Rupee and other currencies;
- The occurrence of natural disasters or calamities; and

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Lead Manager, or their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being issued in this Issue, by the Stock Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this Draft Prospectus until the Equity Shares are allotted to the investors.

SECTION II: SUMMARY OF DRAFT PROSPECTUS

SUMMARY OF DRAFT PROSPECTUS

A Primary Business of our company and the industry in which it operates:

1. Primary Business of Our Company:

Our Company, City Crops Agro Limited was incorporated in the year 2013 and is broadly engaged in the business of trading of products like seeds, agricultural produces mainly Rice, Wheat, Onions, Potato, Tomato, Isabgol, and Pulses. We have an integrated online platform which includes products such as cereals, oil seeds, pulses, and vegetables. The company is also engaged in contract manufacturing for agricultural produce such as Cucumber, Onion and Castor.

(For Detailed information on our business, please refer to chapter titled “Our Business” beginning from page no. 79 of this Draft Prospectus.)

2. Summary of the industry in which our Company operates:

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for about 58% of India’s population. India has the world’s largest cattle herd (buffaloes); largest area planted to wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. Agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country’s population. Thus, farmers become an integral part of the sector to provide us with means of sustenance.

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

According to Inc42, the Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. Indian food and grocery market is the world’s sixth largest, with retail contributing 70% of the sales. As per First Advance Estimates for FY 2022-23 (Kharif only), total foodgrain production in the country is estimated at 149.92 million tonnes. Rapid population expansion in India is the main factor driving the industry. The rising income levels in rural and urban areas, which have contributed to an increase in the demand for agricultural products across the nation, provide additional support for this. In accordance with this, the market is being stimulated by the growing adoption of cutting-edge techniques including block chain, artificial intelligence (AI), geographic information systems (GIS), drones, and remote sensing technologies, as well as the release of various e-farming applications.

(For further detailed information, please refer to chapter titled “Industry Overview” beginning from page no. 66 of this Draft Prospectus.)

B Name of the Promoters of Our Company:

Kaupilkumar Hasmukhbhai Shah and Shitalben Kaupilkumar Shah are the Promoters of our company.

(For further details, please refer chapter “Our Promoters and Promoters Group” beginning from page no. 107 of this Draft Prospectus.)

C Size of the issue:

Initial Public issue of 60,00,000 equity shares of face value of Rs. 10/- each (“Equity Shares”) of City Crops Agro Limited (“The Company” or “The Issuer”) for cash at a price of Rs. 25/- per equity share (including a Share Premium of Rs.15/- per Equity Share), aggregating to Rs.1500.00 Lakhs (“The Issue”), of which 3,00,000 equity shares of face value of Rs.10/- each for cash at a price of Rs. 25/- per equity share (including a Share Premium of Rs.15/- per Equity Share), aggregating to Rs. 75.00 lakhs will be reserved for subscriptions by the Market Maker to the issue (The “Market Maker Reservation Portion”). The issue less Market Maker Reservation Portion i.e., Issue of 57,00,000 equity shares of face value of Rs.10/- each for cash at a price of Rs. 25/- per equity share (including a Share Premium of Rs.15/- per Equity Share), aggregating to Rs. 1425.00 lakhs is hereinafter referred to as the “Net Issue”. The issue and the net issue will constitute 36.77% and 34.93% respectively of the post issue paid up equity share capital of the company.

D Objects of the Issue:

Our Company proposes to utilize the funds which are being raised through this Issue towards the below-mentioned objects:
(Rs. In Lakhs)

Sr. No.	Particulars	Estimated Amount (in Rs. Lakhs)	% of total issue size	Amount to be financed from Issue Proceeds – in Rs. Lakhs
A	Working capital requirements	1125.00	75%	1125.00
B	General corporate purposes	345.00	23%	345.00
C	Issue related expenses	30.00	2%	30.00
	Total IPO Proceeds	1500	100%	1500

(For further details, please refer chapter “Objects of the Issue” beginning from page no. 54 of this Draft Prospectus.)

E Pre-issue shareholding of our Promoters and Promoters group as on the date of this Draft Prospectus:

Particulars	Pre-Issue Shareholding	
	Number of Shares	Percentage holding
Promoters		
Kaupilkumar Hasmukhbhai Shah	51,67,300	50.09%
Shitalben Kaupilkumar Shah	37,57,180	36.42%
Total Promoters Shareholding (A)	89,24,480	86.51%
Promoter Group	0	0
Total Promoters Group Shareholding (B)	0	0
Total Promoters & Promoters Group (A+B)	89,24,480	86.51%

F Summary of restated financial statements:

(Rs. In Thousands)

Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Total Share Capital	1,03,167.60	1,03,163.80	100	100
Total Net Worth	1,13,848.51	1,07,713.61	508.41	76.81
Total Revenue	96,271.59	1,77,568.81	34,889.89	0
EBITDA	6,378.13	5,544.63	417.41	(2.47)
Profit After Tax	6,131.11	4,841.39	431.60	(1.82)
Face Value per equity share	10	10	10	10
Earnings Per Share (Basic & Diluted) (As Restated) (In Rs.)	0.59	0.94	43.16	(0.18)
Net Asset Value per equity share (As Restated) (In Rs.)	11.04	10.44	50.84	7.68
Total Borrowings	201	501	51	0

(For further details, please refer chapter “Financial statement as Restated” beginning from page no. 118 of this Draft Prospectus.)

G Auditor qualifications which have not been given effect to in the restated financial statement:

The auditor report of Restated Financial information of City Crops Agro Limited, for the half year ended on 30th September, 2022 and financial year ended on 31st March 2022, 31st March 2021 and 31st March 2020 does not contain any qualification which have not been given effect to in restated financial statement.

H Summary of outstanding litigations:

There are no outstanding litigation pending against the company, directors, promoters, Promoters Group and Group Entity.

For further details, please refer chapter “Outstanding Litigation and Material Development” beginning from page no. 147 of this Draft Prospectus.

I Cross reference to the section titled risk factors:

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus.

(For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “Risk Factors” beginning on page no. 18 of this Draft Prospectus.)

J Summary of contingent liabilities:

As per restated financial statement, there are no Contingent liabilities.

K Summary of related party transactions for last 3 years:

(Rs. In Thousands)

Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Remuneration to Directors	-	40	0	0
Remuneration to KMP	50	0	0	0
Unsecured Loans Received/(Granted)	0	250	51	0
Sales	0	0	0	0
Purchase	0	0	0	0
Payables	0	0	0	0
Receivables	0	0	0	0
Unsecured Loans Repaid	100	0	0	0

(For details pertaining to Related Party Transactions, kindly refer to the chapter titled “Financial Statements as Restated” – “Related Party Transactions” beginning on page no. 135 of this Draft Prospectus)

L Details of financing arrangement:

There are no financing arrangements whereby the promoters, member of 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 since inception of the company.

M Weighted average price at which equity shares was acquired by our promoters in the last one year from the date of this Draft Prospectus:

Sl. No.	Name of the Promoter	No. of Equity Shares Acquired during last one Year	Weighted Average Price (In Rs. per Equity Share)
1	Kaupilkumar Hasmukhbhai Shah	300	10
2	Shitalben Kaupilkumar Shah	80	10

N Average cost of acquisition of equity shares for promoters:

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In Rs. per Equity Share)
1	Kaupilkumar Hasmukhbhai Shah	51,67,300	9.93
2	Shitalben Kaupilkumar Shah	37,57,180	9.91

O Details of pre-IPO placement:

Our Company has not made any Pre-IPO Placement.

P Details of issue of equity shares for consideration other than cash in the last one year from the date of this Draft Prospectus:

Except as disclosed in this Draft Prospectus, our company has not issued any Equity shares for consideration other than cash. (For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the chapter titled “Capital Structure” beginning on page no. 44 of this Draft Prospectus.)

Q Details of split/consolidation of our equity shares in the last one year from the date of this Draft Prospectus:

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year till the date of this Draft Prospectus.

R Exemption from complying with any provisions of securities laws, if any, granted by SBI

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

SECTION III: RISK FACTORS

RISK FACTORS

Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with chapters titled, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on page no. 79 and 138 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

This Draft Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Draft Prospectus.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the consequences to you of an investment in the Equity Shares.

The financial information in this section is, unless otherwise stated, derived from our Restated Financial Statements prepared in accordance with Indian GAAP, the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations.

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

Some risks may not be material individually but may be material when considered collectively.

Some risks may have material impact qualitatively instead of quantitatively.

Some risks may not be material at present but may have a material impact in the future.

Note: The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

INTERNAL RISK FACTORS:

1. We had defaulted in repayment of loan in the past

Prior to takeover of our Company by the current management we had availed a cash credit facility of Rs. 44 lakhs from Union Bank of India in the year 2013. We defaulted in repayment of the same owing to which the account was declared as a NPA in the financial year 2016-17. The bank brought out an auction notice for sale of our properties for recovery of Rs. 56,78,716. This was finally cleared on September 26, 2018 by means of a One-Time settlement.

Though our operations with our current banker is Standard, we cannot assure you that we will not default on any loans in the future and that any financial institution will not initiate legal action for the recovery of such loan which could have an adverse effect on our reputation and financial position in the future.

2. One of our Promoters, Mr. Kaupilkumar Hasmukhbhai Shah had defaulted in payment of Credit Card dues in the past.

One of our Promoter had defaulted in the making payments of Rs. 0.99 lakh to various banks on account of pending dues for credit card charges. This default was not owing to a fault of the Promoter as he had lost his cards in the year 2007 and had approached the banks for stopping the credit cards, which some banks failed to do and continued to levy account maintenance charges on him. This was not in his notice and owing to this his credit score got impacted negatively. This may hamper our prospects of securing loans from various banks which may hinder our growth

prospects in future. Though the dues have now been cleared, we cannot assure you that such an event will not occur in the future.

3. Our Company has incurred losses in the past and may incur losses in the future.

Our company has incurred losses in the recent past and may incur losses in the future. There can be no assurance that the company will not incur losses in any future periods, or that there will not be any other adverse effect on our financial condition. Given the industry we are functioning in where there are chances of bad debts and deterioration of our products due to fluctuation in demand and supply .

(Rs in Thousands)

Particulars	For the period ended on 30 th September 2022	For the year Ended 31st March		
		2022	2021	2020
Profit/(Loss) for the period/ year	6131.11	4841.39	431.60	(1.82)

4. We do not maintain long-term contracts with our third-party suppliers, and our business may be adversely affected by a shortfall in supply, or increase in price of materials.

Our company is engaged into the business of trading of Fast-Moving Consumer Goods (FMCG). For further details, see chapter “Our Business” on page 79 of this Draft Prospectus. We do not have any long-term supply contracts with any of our specific suppliers with respect to our material requirements and typically place orders with them in advance of our anticipated requirements. All our products manufactured by third party manufacturers and we don’t have any control on the manufacturing process and quality and hygiene. So the products sold by us may be subject to deficiencies and inferior quality.

Due to absence of any long term supply contracts we have to purchase the products at the prevailing pricing which may be affected by price rise of raw materials, labour costs, transportation costs and manufacturing expenses which are passed on to us by way of increased prices. Due to this our margins may be affected adversely.

Any significant change in the cost structure or disruption in supply may affect the pricing and supply of products. If we are not able to increase our product prices to offset increased material costs, or if unit volume sales are significantly reduced, it could have an adverse impact on our profitability. This may adversely affect our business and financial performance.

5. Our company is substantially reliant on our Promoters, Managing Director & KMPs for mentoring and growth of our Businesses. Our inability to continue to receive such support from any of such persons in power and supervision could materially affect our company's operations. Further, Our ability to attract, train and retain executives and other qualified employees is critical to our business, results of operations and future growth.

Our present and future performance and success depend largely upon the guidance and supervision from our Promoters, Executive Director and other key managerial personnel and our ability to attract and retain them. We are dependent on our Promoters, Managing Director and Key Managerial Personnel for setting our strategic direction, future outlook and managing our businesses. In particular, our Managing Director, Mr. Kaupilkumar Hasmukhbhai Shah and other senior management team are critical to the overall management of our Company. Their inputs and experience are also valuable for the development of our services, our work culture and the strategic direction taken by our Company. Our Management, has over the past years, built relations with suppliers, customers, and other relevant persons who are connected with us in the journey of our businesses. Our future performance will depend upon the continued services and support of these persons. Demand for key managerial personnel in the industry is intense and our inability to attract and retain key managerial personnel may affect the operations of our Company.

Our business depends upon our employees for its successful execution. The specialized skills we require, especially for the verticals of our research and development activities. We may require a long period of time to hire and train replaced personnel when skilled personnel terminate their employment with our Company. Our ability to compete effectively depends on our ability to attract new employees and to retain and motivate our existing employees. We may be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting the skilled employees that our business requires. If we do not succeed in attracting well-qualified employees or retaining or motivating existing employees, our business and prospects for growth could be adversely affected.

6. Our Company has not entered into any long-term contracts with our distributors/customers and we typically operate on the basis of orders received on hand. Inability to maintain regular order flow would adversely impact our revenues and profitability.

We have not entered into any fixed contracts with our distributors/customers and we cater to them on an order-by-order basis. As a result, our distributors/customers can terminate their relationships with us without any prior notice and,

without consequence, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's distributors/customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company's distributors/customers are dependent on factors such as the customer satisfaction, quality consistency, fluctuation in demand for our Company's products and customer's inventory management.

Although we place a strong emphasis on quality, pricing and timely delivery of our products, personal interaction by the top management with the distributors/customers, etc., in the absence of contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

7. The seeds business is highly seasonal and such seasonality may affect our operating results and cash flow of our Company.

Our business is seasonal in nature. Both raw material supplies and sales are seasonal, as our business is influenced by the traditional crop seasons in India. In India, majority of the farmers depend on monsoon for cultivation. Rainfall usually occurs during Kharif season and hence, the timing and seasonality of rainfall has an impact on the business of our Company. Thus, we are subject to seasonal factors, which make our operational results very unpredictable.

We recognize revenues only upon the sale of our products. Empirically, the revenues recorded during planting and harvesting seasons are lower compared to revenues recorded during the periods following such seasons. During periods of lower sales activities, we continue to incur substantial operating expenses, but our revenues remain usually lower. Due to the inherent seasonality of our business, results of one reporting period may not be necessarily comparable with preceding or succeeding reporting periods. Sometimes, even if there is a slight change in the timing of rain fall, the sales will get deferred from one reporting period to another reporting period. The sales that were supposed to take place during one financial year may get added to sales of the next financial year and therefore results of even full financial year may not necessarily be comparable to the other financial year.

8. We do not own any warehouses/cold storage facilities to store our products (i.e., seeds, Rice, Wheat, Onions, Potato, Tomato, Isabgol, cereals, oil seeds, vegetables and Pulses), instead we rely on the storage facilities available with the farmers with whom we have farming contracts. Damage to seeds and agricultural produce due to the unavailability of adequate warehouses at the right time may adversely affect our business, financial condition and results of operations.

The seeds and agricultural products produced by the farmers require space for storage. We do not own warehouses/cold storage facilities in which we can store seeds and our finished goods (i.e., seeds, Rice, Wheat, Onions, Potato, Tomato, Isabgol, cereals, oil seeds, vegetables and Pulses), instead we rely on the storage facilities available in the farms of the farmers with whom we have farming contracts . This arrangement could pose certain risks, including but not limited to-

- (i) **Limited control over storage conditions:** As we do not own the storage facilities, we may have limited control over the storage conditions such as accessibility as per the need, temperature, humidity, and cleanliness. If the quality of premises used for stocking the seeds and agricultural produce and their maintenance is improper or not as per the requirement of our products, it may diminish the quality of inventory of seeds and agricultural produce and may cause considerable damage to our inventories. Any suboptimal storage conditions could lead to spoilage or damage of our products, which could result in financial losses.
- (ii) **Uncertainty regarding availability of storage space:** The availability of storage space in the farms we have arrangement with may be subject to factors beyond our control, such as crop yields, weather conditions, or other unforeseen circumstance etc. Any disruption in the availability of storage space could negatively affect our ability to store our products and meet customer demands.

Since the company does not hold on to its inventory for a longer period of time due to the nature of the products and since majority of our business is on "Bill To Ship To" model, as on the date of filing this draft prospectus, the company uses storage facilities available with the farmers with whom the company have farming contracts, which is adequate as per the company's current needs. The other products have a decent shelf life owing to which we can manage our affairs without our owned warehouse. However, in future, as and when the need arises, we shall acquire warehousing/cold storage facilities.

9. Major portion of our revenue is derived from a limited number of customers. Any failure to retain one or more of our customers or any disruption of sale of our product will have an adverse effect on our financial performance and results of operations.

We are significantly dependent on certain key customers for a significant portion of our sales, the loss of any one of our key customers for any reason could have an adverse effect on our business, results of operations and financial condition. While we strive to maintain good relations with our key customers, there is no assurance that our key customers will continue to place similar orders with us in the future. In addition to these external factors, these key

customers may also set off any payment obligations, require indemnification for themselves or their affiliates, replace us with our competitors, or replace their existing products with alternative products which we do not supply.

Therefore, there can be no assurance that we will not lose all or a portion of sales to these key customers, or that we will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers. We may continue to remain dependent upon our key customers for a substantial portion of our revenues. Further, the deterioration of the financial condition or business prospects of these customers could reduce their requirement for our products and result in a significant decrease in the revenues we derive from these customers. In the event of our failure to retain one or more of our key customers, it will have an adverse effect on our financial performance and result of operations.

10. We are heavily dependent on certain suppliers and customers for procurement and sale of our traded goods. Any disruption in supply or offtake from such entities may affect our business operations.

We are extremely dependent on our top 5 customers. Our top five customers contributed 95.75%, 71.46% and 74.27% of our sales during the financial year 2020-21, 2021-22 and period ended September 30, 2022 respectively, whereas our top 5 suppliers contributed 100%, 79.53% and 100% of our purchase during the financial year 2020-21, 2021-22 and period ended September 30, 2022 respectively. Any disruption of supply of raw materials from suppliers or loss of any of our top 5 customers will adversely affect our operations and financial position.

We do not manufacture most of the products we sell. We mainly procure our traded goods from various suppliers. We believe that the quality of products supplied, the transparent pricing, locational advantage, etc. are some of the major reasons, our Company prefers to procure our traded goods from these key suppliers. However, we have not entered into any formal agreement with these key suppliers.

Also, the fact that we are so heavily dependent on these suppliers, exposes us indirectly to the risks that these suppliers face.

Any failure of the suppliers to deliver these traded goods in the necessary quantities or to adhere to delivery schedules or specified quality standards and specifications would adversely affect our business operations and our ability to deliver orders on time and at the desired level of quality. Further any deterioration in the financial condition or business prospects of these suppliers could reduce their ability to meet our requirements and which may result in delay of supply of our products. As a result, we may lose customers and incur liabilities for failure to execute orders, which could have a material adverse effect on our business, financial condition and results of operations and accordingly result in a significant decrease in our revenues.

11. We do not own the premises in which our registered office is located and the same is on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by lender could adversely affect our operations.

We do not own the premises at which our Registered Office is situated. Mrs. Nutanben Shah has given the office premises to be used as the registered office of our Company on leave and License basis for a period of 11 Months, effective from August 01, 2022. Though we have entered in to Agreement with Mrs. Nutanben Shah, we cannot assure you that we will own, or have the right to occupy, this premises in the future, or that we will be able to continue with the uninterrupted use of this premise in case of failure to comply with any of the terms and conditions of agreement, which may impair our operations and adversely affect our financial condition. For further details of properties please refer to the chapter titled "Our Business" beginning on page no. 79 of this Prospectus.

12. Our Company faces competition from certified seed players. Our failure to effectively compete may reduce our profitability and results of operations.

Increased competition may result in decreased in demand or lower prices for our products. Our failure to compete effectively could reduce our profitability and in turn our results of operations. We face substantial competition due to technological advances by our competitors in various facets of the agri-inputs business especially certified seed players. Multinational corporations invest huge amounts of money and considerable resources on Research and Development and technology and are thus able to come out with very effective and highly improved versions of hybrids. Hence, these types of technological advances force us to face substantial competition, as we neither own or possess any research facility and we only trade and supply seeds to clients on their need basis.

Further, the introduction of biotechnology has resulted in the entry of various agro-input companies into the seed industry, thus fostering intense competition in the industry. The period for developing and commercializing a hybrid product can run into several years. If a competitor introduces a product more suited to farmer needs, it could take a long period for us to find and supply a suitably competing product, which could have a material adverse effect on our business, results of operations and financial condition. Some of our competitors may have, or are subsidiaries of large international corporations that have, significantly greater resources than those available to us. If we are unable to

compete effectively, including in terms of pricing or providing quality products, our market share may decline, which could have a material adverse effect on our financial condition and results of operations.

13. We may be subject to product liability claims from our customers. Any claims arising from such liabilities may harm our reputation, require us to incur substantial costs and/or have an adverse impact on our business, financial conditions and results of operations.

We are subject to product liability claims with respect to quality and defects in our products. We will be required to comply with certain quality standards for the products we supply to the customers. In case we are unable to provide the prescribed quality standard products, we may lose our customers which could result in substantial business losses. Defects, if any, in our products could lead to rejection of supplied products and consequential replacement liability. However, we have not experienced any product liability claims with respect to quality and defects in our products in the past, which had material impact on the financial and result of operations of our Company. In the event, our Company fails to maintain the quality of its products or if there is any major defect in our products in future, we could be made liable to the customers and the same could consequently lead to a negative publicity against our Company thereby affecting our brand value, reputation, business, results of operations and financial condition. Management resources could also be diverted away from our business towards defending such claims. In the event, there are any liabilities arising from such claims, our business, financial performance and results of operations may be adversely affected. We cannot assure you that no such claims will be brought against us in the future or that such claims will be settled in our favour. Any such successful claims against us could adversely affect our business, financial condition and results of operations.

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

Our products and materials (both present or future) are subject to risks such as spoilage, adulteration, product labelling error and product tampering during their, transport or storage. We cannot assure you that the quality tests conducted by our suppliers will be accurate at all times. Any shortcoming in the products or storage of our products due to negligence, human error or otherwise, may damage our products and result in non-compliance with applicable standards. Any actual or alleged damage of our products or materials 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. However, our Company has not faced any instance of spoilage or any damage to such products or materials, which had material impact on the financial and result of operations of our Company.

Any allegation relating to, or the discovery of, unauthorized contaminants in our products or materials processed by us, which causes or is alleged to cause injury or illness, allegations that our products were mislabeled, were not produced in accordance with our customer's specifications and/or have not performed adequately, may adversely affect our sales and may cause product liability or other legal proceedings being initiated against us by our customers and/or regulatory authorities, irrespective of whether such allegations have any factual basis. We cannot assure you that we will not be subject to such product liability claims in the future, whether or not legitimate, or product recalls, whether voluntary or mandatory. Defending such claims or regulatory action could be time-consuming and may also result in unexpected expenditures, and our reputation, business, financial condition, cash flows and results of operations may be adversely affected.

15. Many of our Products are harmful to health and chemically prepared, which may require any specific permission in future from the Authorities for their trading. Our Products are non-edible items; majorly and most of them are chemically treated or contain hazardous chemicals, usage of which is hazardous and which could result in legal liability, damage our reputation and adversely affect our business prospects and consequently our financial performance.

We are an agro-based Company, involved primarily in the business of trading of pesticides, weedicides and other allied agro products. We may be subject to risks affecting the agro-based industry, including risks posed by the following:

- contamination/ spoilage of raw materials;
- product tampering;
- product labelling errors;
- consumer product liability claims and expense, and possible unavailability of product liability insurance; and
- the potential cost and disruption of product recalls.

Any actual or alleged contamination or deterioration of our products, even if accidental, could result in legal liability, damage to our reputation and may adversely affect our business prospects and consequently our results of operation and financial performance.

While we follow stringent quality control processes and quality standards at each stage, there can be no assurance that our products will not be contaminated or suffer deterioration. Further, there can be no assurance that contamination of our raw materials or products will not occur during the transportation, production, distribution and sales processes due to reasons unknown to us or beyond our control. If our products or raw materials are found to be spoilt, contaminated, tampered with, incorrectly labeled reported to be associated with any such incidents, we may be forced to recall our products from the market and we could be subject to product liability claims, adverse government scrutiny, investigation or intervention, product returns, resulting in increased costs and incur criminal or civil liability including for any adverse medical conditions suffered by our consumers resulting from consumption of such products.

Currently the Company trades in various Agricultural Products including but not limited to pesticides, weedicides etc. which are chemically prepared and are harmful to human health and animal health. Usage of such products in Farm / land may create severe risk to humans using or getting exposed to these products and also to stray cattle and animals. Trading in such products might require more stringent compliance and permissions from Authorities, which we may not be able to maintain or qualify for, which may effect our business revenues and margins.

16. Lack of awareness and knowledge among farmers is the basic reason for them not opting for hybrid seeds and choosing naturally grown seeds over them which could affect our financial performance.

All the major developments and the inventions are not able to reach the people at the grassroot level like farmers, who are the main human resource for agriculture, thus lack of knowledge and awareness among them is the basic reason for them not opting for hybrid seeds and choosing naturally grown seeds over them. We undertake awareness initiative like Farmer Welfare Programme, Krishi Mela etc. to spread awareness about our products.

17. The use of pesticides and other hazardous substance in our operations may lead to loss of nutrients in the seeds produced and also may lead to environmental damage and result in increased costs.

Hybrid seed, weedicides and other products contain high usage of pesticides and other hazardous substance. We may also have to pay for the costs or damages associated with the improper application, accidental release or the use or misuse of these substances. In these cases, payment of costs or damages could have a material adverse effect on our business, results of operations and financial condition. Usage of our products such an increased quantity could lead to loss of nutrients in the seeds which makes them less attractive from that of organic seeds produced.

18. Our inability to maintain the stability of our distribution network and attract additional high quality dealers may have an adverse effect on our result of operations and financial conditions.

The challenge in the agri-inputs business lies in reaching a geographically dispersed end-user at the right time at the right place with the right product. We rely on our distribution network and dealerships to reach the end customer, that is the farmer, and distribute market and sell our agri-input products in each of the regions in which we operate. Competition for seed and other agri-inputs dealers is intense. Hence, our business is dependent on maintaining good relationships with our distributors and dealers and ensuring that our distributors and dealers find our products to be commercially remunerative and have continuing demand from farmers.

Furthermore, our growth as a business depends on our ability to attract additional high-quality dealerships to our distribution network. There can be no assurance that our current distributors and dealers will continue to do business with us, or that we can continue to attract additional distributors and dealers to our network. If we do not succeed in maintaining the stability of our distribution network and attracting additional high-quality dealers to our distribution network, our market share may decline and our products may not reach the end customers, materially adversely affecting our results of operations and financial condition.

19. Our ability to deliver our products in a timely manner is crucial to our business and results of operations.

Availability of the seed variety before crop season is crucial for our business. Crop yields depend significantly on the absence of any crop disease or pest attacks and favourable weather conditions such as adequate rainfall and temperature. Adverse weather conditions such as windstorms, flood, drought or frost may cause crop failures and reduce harvests, which may adversely affect our operations. However, results of changes in weather and climatic conditions are difficult to predict and may affect crop planning and timing. In addition to factors such as soil quality and the use of fertilisers, weather conditions may also affect the presence of diseases and pests which may adversely affect our production of seeds. We also rely on third party transporters for transportation and delivery of our products. Factors such as unavailability of transport services, damage or loss of goods in transit, strikes, natural disasters etc. can interrupt the delivery of our products and affect our business and results of operations.

20. Product defects could adversely affect our business.

Although seeds undergo extensive quality checks before they are processed, they may still contain defective or undesired characteristics that may be difficult to detect, with the available technology and tools at our dominion, prior

to their sale and use. Since our seeds and other products are used by farmers, any quality defects therein would directly affect the earnings of the farmer.

If defective or contaminated seeds are sold to a large number of farmers or over a geographically wide area, it may lead to a large-scale crop failure thus substantially increasing our potential liability for claims. The proper usage of seeds and adherence to recommended farm practices as well as the environment during crop period are all beyond our control once we sell the seed to our customer. Irrespective of the quality of the seeds, farmers may claim poor crop yields in one or more seasons as resulting from alleged seed defects, which may not exist or may be exaggerated, and seek to claim damages/compensation from us on that ground. Further, in order to attain the desired levels of crop yield, certain precautions like utilization of the soil application, proper application of fertilizers, timely application of pesticides, timely supply of water etc. have to be followed.

Moreover, weather conditions must be favourable. In the event of any errors on the part of the farmers, or adverse weather conditions, they may claim defects in the quality of the seed. However, ascertained product defects cannot be determined in percentage terms though we face claims for product defects. We believe that our processing plants/facilities comply in all material respects with all applicable laws and regulations; we cannot assure that use of our products will not expose us to costly and time-consuming litigations/claims and lead to negative publicity about the quality of our products, further affecting our sales and performance. Any of the aforesaid factors would have a material adverse effect on business, financial condition and results of operations.

21. In addition to normal remuneration, other benefits and reimbursement of expenses, some of our Directors (including our Promoter) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Some of our Directors (including our Promoter) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Promoter and Directors would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Promoter and Directors 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, and our other Shareholders may be unable to affect the outcome of such voting. Our Promoter and Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Promoter and Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospect.

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

Our Company has entered into certain transactions with our related parties. While we believe that all such transactions have been conducted on the arms-length basis, there can be no assurance that we could not have been achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation.

For details on the transactions entered by us, please refer to “Related Party Transactions” beginning on page no. 135 of this Prospectus.

23. Our insurance coverage does not adequately protect us against losses (including damages or loss caused to the Products), and successful claims against us that exceed our insurance coverage could harm our results of operations and diminish our financial position.

Our insurance policies, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. In addition, there are various types of risks and losses for which we do not maintain insurance, such as losses due to business interruption, losses in transit, natural disasters etc. because they are either uninsurable or because insurance is not available to us on acceptable terms. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, future financial performance and results of operations.

24. In the last one year immediately preceding the date of filing this Draft Red Herring Prospectus, our company has issued Equity Shares at a price which is lower than the Issue Price:

In the need of the working capital requirement, the company on June 30, 2022 has issued 380 no. of equity shares to our Promoters at a price of Rs.10 which is lower than the Issue price.

25. We are exposed to the risk of delays or non-payment by our clients and other counterparties, which may also result in cash flow mismatches.

We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations.

We are exposed to counterparty credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients, business partners, suppliers or other counterparties could affect our financial condition, results of operations and cash flows.

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

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

27. Our business is subject to seasonal volatility, which may contribute to fluctuations in our results of operations and financial condition.

As an agro-based company, our businesses are sensitive to weather conditions, including extremes such as drought, excessive rainfall, floods and natural disasters. There is growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. Adverse weather conditions may also cause volatility in the prices of commodities, which may affect growers' decisions about the types and quantum of crops to plant and may consequently affect the sales of our products. Consequently, the occurrence of any such unfavorable weather patterns may adversely affect our business, results of operations and financial condition.

Due to dependency on seasonality of agro crops in which our business is based, results of one reporting period (quarter/half year/year) may not be necessarily comparable with preceding or succeeding reporting periods. We are impacted by seasonal variations in sales volumes, which may cause our revenues to vary significantly between different quarters in a Fiscal. Accordingly, our revenue in one quarter/half year may not accurately reflect the revenue trend for the whole Financial Year.

28. Our business operations are majorly concentrated in certain geographical regions and any adverse developments affecting our operations in these regions could have a significant impact on our revenue and results of operations.

The operations of the Company are carried in the state of Gujarat. Due to the geographical concentration of our major clients, our operations are susceptible to local, regional and environmental factors, such as social and civil unrest, regional conflicts, civil disturbances, economic and weather conditions, natural disasters, demographic and population changes, and other unforeseen events and circumstances.

Such disruptions could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials, loss of key managerial personnel, and/or otherwise adversely affect our business, financial condition and results of operations.

In addition, we generate major domestic sales through our customers situated in, Gujarat, and Maharashtra region. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region, which may adversely affect our business prospects, financial conditions and result of operations.

Further, as we enter into new markets and geographical areas, we are likely to compete with not only national players, but also the local players, who might have an established local presence, and are more familiar with local business practices and have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into other areas may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in

other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we face and should not rely on our results of operations for any prior periods as an indication of our future performance.

29. Adverse publicity regarding our products could negatively impact us.

Adverse publicity regarding any of our products or similar products marketed or sold by others could negatively affect us. If any studies raise or substantiate concerns regarding the efficacy or safety of our products or other concerns, our reputation could be harmed and demand for our products could diminish, which could have a material adverse effect on growth in new customers and sales of our product, leading to a decline in revenues, cash collections, and ultimately our ability to meet operating cash flow requirements.

30. We are subject to competition from both organized and unorganized players in the market, which may significantly affect the fixation and realisation of the price for our product, which may adversely affect our business operation and financial condition.

The market for our products is competitive on account of existence of both the organized and unorganized players. Competition occurs generally on the key attributes such as quality of products, distribution network, pricing and timely delivery. Some of our competitors have longer industry experience and greater financial, technical and other resources, which may enable them to adopt faster in changing market scenario and remain competitive. Moreover, the unorganized sector can offer their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

We operate in a rapidly consolidating industry. The strength of combined companies could affect our competitive position in all of our business areas. Furthermore, if one of our competitors or their customers acquires any of our customers or suppliers, we may lose business from the customer or lose a supplier, which may adversely affect our business, results of operations and financial condition.

31. We do not own the trademark, which we are using for our business. Further, one of the trademarks applied by us for registration is under objection.

The trademark City Crops Agro, which we are using for our business, is not registered with Trademark Authorities. The Company has recently applied for registration with Authorities for registering its Brand Name, vide application number 5469378 under class 31. We are unable to comment on the confirmity of grant of registration of our applied mark. We may be subjected to opposition or any remarks from Authority, which may leave our brand and business name open for competition with same brand name by competitors or third parties.

Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. Any litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

For further details on above and other trademarks, please refer to chapter titled "Our Business" beginning on page 79 of this Prospectus.

32. Dependence upon transportation services for supply and transportation of our products are subject to various uncertainties and risks, and delays in delivery may result in rejection of products by customer.

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation of our finished products to our customers. For this purpose, we hire services of various transportation companies. However, we have not entered into any definitive agreements with any third-party transport service providers and engage them on a need basis and we are exposed to the risks associated with the transportation, including but not limited to accidents, government actions, theft etc.. The cost of our goods carried by such third-party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods. We do not have any transit insurance to safeguard against this.

33. Delays or defaults in client payments could affect our operations.

We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations.

34. There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs. 10,000.00 Lacs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

35. Our Promoters and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.

Our promoters along with the promoter group will continue to hold collectively 54.70 % of the Equity share capital of the Company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder's vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our Company. In addition to the above, our promoters will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

36. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares.

Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

37. Certain forms related to satisfaction of charge are pending to be filed with the Registrar of Companies ("ROC"), which may have some future financial impact on the Company.

The Company had taken financial facility aggregating to INR 44.00 lakhs from Union Bank of India in the year 2013 by creating a charge on the stock-in-trade and book debts not older than 90 days of the Company. The loan was repaid on September 26, 2018 by means of a One-Time settlement, but the reporting for satisfaction of charge, to be made to the Registrar of Companies is under process owing to non-receipt of the requisite No Objection Certificate from the Bank. Delay in filing such necessary forms with the ROC will attract fines and additional levies, which may have an impact on the financial statements of the Company in the coming financial year.

38. We have availed unsecured loans from our Promoters that can be recalled at any time.

Our Company has availed unsecured loans to the tune of Rs. 2.01 Lakhs (Rupees Two Lakhs One Thousand only) as of September 30, 2022 that are repayable on demand and which may be recalled by such lenders at any time. Details of unsecured loans from our Promoters is given in the table below.

Particulars	Amount	Rate of	Tenure/Repayment	Security
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	(in Rs. Lakhs)	Interest	Terms	
From Mr. Kaupilkumar Hasmukhbhai Shah	1.26	0%	Repayable on Demand	Unsecured
From Mrs. Shitalben Kaupilkumar Shah	0.75	0%	Repayable on Demand	Unsecured
Total	2.01			

In the event that such lender seeks repayment of any such unsecured loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further information on unsecured loans relating to our business and operations, see “Financial Indebtedness” on page 146.

39. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.

The issue price of the equity shares has been based on many factors and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the chapter titled “Basis for Issue Price” beginning on page 60 of the Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

EXTERNAL RISK FACTORS:

I. The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition, and results of operations.

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly the Novel Coronavirus) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of Novel Coronavirus has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding Novel Coronavirus. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of Novel Coronavirus remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting Novel Coronavirus or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of Novel Coronavirus will cause an economic slowdown and it is possible that it could cause a global recession. The spread of Novel Coronavirus has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the Novel Coronavirus further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact Novel Coronavirus may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of Novel Coronavirus or its consequences, including downturns in business sentiment generally or in our sector in particular. The degree to which Novel Coronavirus impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our

facilities and cause disruption of operational activities, environmental harm, and loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

2. Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ('IFRS'), which investors may be more familiar with and consider material to their assessment of our financial condition.

The Financial Statements of our Company for the Financial Year ending March 31, 2022, and March 31, 2021, have been prepared in accordance with the Ind AS, the Companies Act, 2013.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI (ICDR) Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

3. Political, economic, or other factors that are beyond our control may have adversely affect our business and results of operations.

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition, and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional, and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional, and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, and volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

4. A slowdown in economic growth in India could cause our business to suffer.

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- (a) Any increase in Indian interest rates or inflation;
- (b) Any scarcity of credit or other financing in India;
- (c) Prevailing income conditions among Indian consumers and Indian corporations;
- (d) Changes in India's tax, trade, fiscal or monetary policies;
- (e) Political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- (f) Prevailing regional or global economic conditions; and
- (g) Other significant regulatory or economic developments in or affecting India.

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

5. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, 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.

The Government of India has issued a notification dated September 29, 2016, notifying Income Computation and Disclosure Standards (hereinafter referred to as 'ICDS'), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

The General Anti Avoidance Rules (hereinafter referred to as 'GAAR') have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

A comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. 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 affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

6. Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect

our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance, and the trading price of the Equity Shares.

7. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

8. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, 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/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

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

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

10. We are subject to regulatory, economic, social, and political uncertainties and other factors beyond our control.

We are incorporated in India and we conduct our corporate affairs and our business in India. Consequently, our business, operations, financial performance will be affected by interest rates, government policies, taxation, social and ethnic instability, and other political and economic developments affecting India.

SECTION IV: INTRODUCTION

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS	
Equity Shares Offered through Public Issue⁽¹⁾⁽²⁾	60,00,000* Equity Shares at face value of Rs. 10 each at a price of Rs. 25 per equity share aggregating to Rs. 1500.00 Lakhs.
Out of which:	
Issue Reserved for the Market Makers	3,00,000 Equity Shares at face value of Rs. 10 each at a price of Rs. 25 per equity share aggregating to Rs. 75 Lakhs.
Net Issue to the Public	57,00,000 Equity Shares at face value of Rs. 10 each at a price of Rs. 25 per equity share aggregating to Rs. 1425 Lakhs.
Out of which*	
a. Retail Institutional Investors	Minimum of 28,50,000 Equity Shares at face value of Rs. 10 each for cash at a price of Rs. 25 per equity share (including a Share Premium of Rs. 15 per equity share) aggregating to Rs. 712.5 lakhs.
b. Individual Applicants other than Retail Institutional Investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;	28,50,000 Equity Shares at face value of Rs. 10 each for cash at a price of Rs. 25 per equity share (including a Share Premium of Rs. 15 per equity share) aggregating to Rs. 712.5 lakhs.
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,03,16,760 Equity Shares of face value of Rs.10 each
Equity Shares outstanding after the Issue	1,63,16,760 Equity Shares of face value Rs.10 each
Use of Net Proceeds by our Company	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 54 of this Prospectus.

*Assuming full allotment

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 19, 2022 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting held on August 29, 2022

⁽¹⁾The present Issue is being made by our Company in terms of Regulation 229(2) of the SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Issue paid-up equity share capital of our Company are being offered to the public for subscription .

⁽²⁾This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:

- 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 is either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

Explanation: For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details, kindly refer the chapter titled “**Terms of the Issue**” beginning on page 162 of this Draft Prospectus.

SUMMARY OF FINANCIAL INFORMATION

(Amount in Rs. Thousands)

Restated Statement of Assets and Liabilities						
		Note No	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
A.	Equity and Liabilities					
1	Shareholders' Funds					
	a) Share Capital	I.1	103167.60	103163.80	100	100
	b) Reserves & Surplus	I.2	10680.91	4549.81	408.41	(23.19)
	Total Shareholder's Funds		113848.51	107713.61	508.41	76.81
2	Non-Current Liabilities					
	a) Long-Term Borrowings	I.3	201	501	51	0.00
	b) Deferred Tax Liabilities	I.4	5.47	7.27	0.00	0.00
	Total Non-Current Liabilities		206.47	508.27	51	0.00
3	Current Liabilities					
	a) Short Term Borrowings	I.5	0.00	0.00	0.00	0.00
	b) Trade Payables :	I.6	20501.09	20982.99	24114.62	0.00
	c) Other Current Liabilities	I.7	371.82	129.79	25	0.00
	d) Short Term Provisions	I.8	781.23	560.92	0.00	0.00
	Total Current Liabilities		21654.14	21673.70	24139.62	0.00
	Total Equity & Liability		135709.13	129895.58	24699.03	76.81
4.	Non-Current Assets					
	a) Fixed Assets					
	-Tangible Assets	I.9	107.45	135.96	0.00	0.00
	- Intangible Assets		0.00	0.00	0.00	0.00
	-Capital Work in Progress		0.00	0.00	0.00	0.00
	b) Non-Current Investments	I.10	0.00	0.00	0.00	0.00
	c) Deferred Tax Assets	I.4	0.00	0.00	91	76.81
	d)Long Term Loans & Advances	I.11	40793.25	42535.43	0.00	0.00
	e) Other Non-Current Assets	I.12	0.00	0.00	0.00	0.00
	Total Non-Current Assets		40900.70	42671.38	91	76.81
5.	Current Assets					
	a) Inventories	I.13	0.00	0.00	0.00	0.00
	b) Trade Receivables	I.14	64211.17	82861.43	21264.04	0.00
	c) Cash and Cash Equivalents	I.15	704.13	4241.57	3343.99	0.00
	d) Short-Term Loans and Advances	I.16	0.00	0.00	0.00	0.00
	e) Other Current Assets	I.17	29893.13	121.19	0.00	0.00
	Total Current Assets		94808.43	87224.19	24608.03	0.00
	Total Assets		135709.13	129895.58	24699.03	76.81

(Amount in Rs. Thousands)

Restated Statement of Profit & Loss						
		Note No	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
A.	Revenue:					
	Revenue from Operations	II.1	96131.44	177487.53	34889.89	0.00
	Other income	II.2	140.15	81.28	0.00	0.00
	Total revenue		96271.59	177568.81	34889.89	0.00
B.	Expenditure:					
	Cost of Material Consumed	II.3	86350.87	168027.05	33739.62	0.00
	Change in Inventories of WIP, Finished Goods & Stock in Trade	II.4	0.00	0.00	0.00	0.00
	Employees Benefit Expenses	II.5	629.90	1395.75	393.80	0.00
	Other expenses	II.6	2912.70	2601.38	339.06	2.47
	Total Expenses		89893.47	172024.18	34472.48	2.47
	Profit before Interest, Depreciation and Tax		6378.13	5544.63	417.41	(2.47)
	Depreciation & Amortization Expenses	I.9	28.50	44.04	0.00	0.00
	Profit Before Interest and Tax		6349.62	5500.59	417.41	(2.47)
	Financial Charges	II.7	0.00	0.00	0.00	0.00
	Profit before Taxation		6349.62	5500.59	417.41	(2.47)
	Provision for Taxation	II.8	220.31	560.92	0.00	0.00
	Provision for Deferred Tax		(1.80)	98.27	(14.19)	(0.64)
	Total Tax		218.52	659.19	(14.19)	(0.64)
	Profit After Tax but Before Extraordinary Items		6131.11	4841.39	431.60	(1.82)
	Extraordinary Items		0.00	0.00	0.00	0.00
	Profit attributable to Minority Stakeholders		0.00	0.00	0.00	0.00
	Net Profit after Adjustments		6131.11	4841.39	431.60	(1.82)
	Net Profit Transferred to Balance Sheet		6131.11	4841.39	431.60	(1.82)

(Amount in Rs. Thousands)

Restated Cash Flow Statement				
	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit/ (Loss) before tax	6349.62	5500.59	417.41	(2.47)
Adjustments for:				
a) Depreciation	28.50	44.04	0.00	0.00
b) Interest Expense & Finance Cost	0.00	0.00	0.00	0.00
c) Other Adjustments	0.00	0.00	0.00	0.00
d) Interest & Other Income	140.15	81.28	0.00	0.00
Operating profit before working capital changes				
Movements in working capital:				
a) (Increase)/Decrease in Inventories	0.00	0.00	0.00	0.00
b) (Increase)/Decrease in Trade Receivables	18650.26	(61597.39)	(21264.04)	0.00
c) (Increase)/Decrease in Current Investments	0.00	0.00	0.00	0.00
d) (Increase)/Decrease in Short Term-Loans & Advances	0.00	0.00	0.00	0.00
e. Increase / (Decrease) in Trade Payables	(502.40)	(3131.63)	24114.62	0.00
f. Increase / (Decrease) in short term provisions	0.00	0.00	0.00	0.00
g. Increase / (Decrease) in other current liabilities	262.53	104.79	25.00	0.00
h. (Increase) / Decrease in Other Current Assets	(29729.99)	0.00	0.00	1.82
Cash generated from operations				
Income tax paid during the year	(41.95)	(121.19)	0.00	0.00
Net cash from operating activities (A)	(4843.26)	(59119.51)	3292.99	(0.65)
B. CASH FLOW FROM INVESTING ACTIVITIES				
a) (Purchase)/Sale of Fixed Assets	0.00	(180.00)	0.00	0.00
b) (Purchase)/Sale of Non-Current Investments	0.00	0.00	0.00	0.00
c) (Increase)/ Decrease in Long-Term Loans and Advances	1742.18	(42535.43)	0.00	0.00
d) (Increase)/ Decrease in Long-Term Provisions	0.00	0.00	0.00	0.00
e) (Increase)/Decrease in Other Non-Current Assets	0.00	0.00	0.00	0.00
f) (Increase) in Misc. Expenses	0.00	0.00	0.00	0.00
g) Interest and Other Income	(140.15)	(81.28)	0.00	0.00
Net cash from investing activities (B)	1602.02	(42796.71)	0.00	0.00
C. CASH FLOW FROM FINANCING ACTIVITIES				
a) Interest & Finance Cost	0.00	0.00	0.00	0.00
b) Proceeds from Shares issued including Premium	3.80	102363.80	0.00	0.00
c) (Repayments)/Proceeds of Long-Term Borrowings	(300.00)	450.00	51.00	0.00
d) (Repayments)/Proceeds of Short-Term Borrowings	0.00	0.00	0.00	0.00
Net cash from financing activities (C)	(296.20)	102813.80	51.00	0.00
Net increase/(Decrease) in cash and cash equivalents (A+B+C)	(3537.44)	897.58	3343.99	(0.65)
Cash and cash equivalents at the beginning of the year	4241.57	3343.99	0.00	0.65
Cash and cash equivalents at the end of the year	704.13	4241.57	3343.99	0.00

GENERAL INFORMATION

Our Company was originally incorporated as “Bhagya Agro-Care Private Limited” on April 2, 2013 vide certification of incorporation bearing Corporate Identity No. U51200GJ2013PTC074296 under the provision of Companies Act, 1956 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Subsequently, the name was changed to “City Crops Agro Private Limited” and a fresh certificate of incorporation was obtained on December 6, 2021. Further, the Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Ahmedabad consequent upon conversion from Private Limited to Public Company dated December 27, 2021 in the name of “City Crops Agro Limited”. The Corporate Identification Number of our Company changed to U51200GJ2013PLC074296. For further details, please refer to chapters titled “Our History and Certain Corporate Matters” beginning on page no 94 of this Prospectus.

Brief of Company and Issue Information	
Registered & Corporate Office	<p>“City Crops Agro Limited” <i>(formerly known as Bhagya Agro-Care Private Limited)</i></p> <p><u>Registered Office:</u> A-208, Titanium City Centre, Near Sachin Tower, 100 Ft Ring Road, Satellite, Ahmedabad, Gujarat – 380015, India</p> <p>Contact Person: Zalakben Chintan Gajjar Contact No: +91 9428714136 Email ID: cs@citycropagro.in Website: www.citycropagro.in</p>
Date of Incorporation	April 02, 2013
Corporate Identification Number	U51200GJ2013PLC074296
Company Category	Company Limited by Shares
Company Sub-category	Indian Non-Government Company
Address of Registrar of Companies	Registrar of Companies, Ahmedabad, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat
Designated Stock Exchange	BSE Limited, SME Platform of BSE Limited (“BSE SME”) P.J. Towers, Dalal Street, Mumbai – 400 001
Company Secretary and Compliance Officer	<p>Zalakben Chintan Gajjar <i>Company Secretary & Compliance Officer</i></p> <p>Address: 401/B, Ghanshyam Avenue, Vishvkunj Soc., N.N. Road, Paldi, Ahmedabad, Gujarat-380007 Contact No: +91 9428714136 Email ID: cs@citycropagro.in Website: www.citycropagro.in</p>
Chief Financial Officer (CFO)	<p>Kaupilkumar Hasmukhbhai Shah <i>Chief Financial Officer</i></p> <p>Contact No: +91 9428714136 Email ID: cfo@citycropagro.in Website: www.citycropagro.in</p>
Statutory & Peer Review Auditor of the company	<p>V S S B & Associates Address: A-912, Ratnaakar Nine Square, Opp. Keshavbaug Party Plot, Vastrapur, Ahmedabad-380015 Mail- csvishves@gmail.com</p> <p>Ahmedabad – 380015 Mail: vishvesca@gmail.com</p>

Board of Directors of Our Company:

Our Company's Board comprises of the following Directors:

Sl. No.	Name of Director	Designation	DIN	Age	Residential Address
1	Kaupilkumar Hasmukhbhai Shah	Promoter Executive	08937535	45	A/12, Punam Parina Flat, B/h Vasna Telephone Exchange, Vasna, Ahmedabad – 380007
2	Shitalben kaupilkumar Shah	Promoter Non-Executive	08935979	41	A/12, Punam Parina Flat, B/h Vasna Telephone Exchange, Vasna, Ahmedabad – 380007
3	Shivangi Bipinchandra Gajjar	Independent	07243790	30	A/1/60, Radhavallabh Park, Near Nigam Society, Ghodasar, Ahmedabad-380050
4	Priyanka K. Gola	Independent	09384530	29	92-H, Popatpara, Street No- 14, Popatpara Main Road, Rajkot, Gujarat- 360001
5	Bhavna Shah	Independent	09494548	34	7, Chandanwadi, Shahibaug, Behind Circuit House, Ahmedabad – 380004

For further details of the Board of Directors, please refer to the chapter titled **“Our Management”** beginning on page no 97 of this Draft Prospectus.

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

LEAD MANAGER	REGISTRAR TO THE ISSUE
TURNAROUND CORPORATE ADVISORS PRIVATE LIMITED 714, Vishwadeep Bulding, Plot No. 4, District Centre, Janak Puri, New Delhi - 110058 Telephone: +91 -11-45510390, +91-11-41395590 Email: info@tcagroup.in Website: www.tcagroup.in Investor Grievance Email: complaints@tcagroup.in Contact Person: Heemadri Mukerjea SEBI Registration No: INM000012290 CIN No: U74140DL2015PTC278474	SKYLINE FINANCIAL SERVICES PRIVATE LIMITED D-153A, 1 st Floor, Okhla Industrial Area Phase-1, New Delhi-110020 Telephone: +91-11-40450193-197 Email: ipo@skylinerta.com Website: www.skylinerta.com Contact Person: Mrs. Rati Gupta Registration No: INR000003241 CIN No: U74899DL1995PTC071324
BANKER TO THE ISSUE AND SPONSOR BANK	LEGAL ADVISOR TO THE ISSUE
[●]	B. T. GADHAVI & ASSOCIATES 401, 4 th Floor, Sachet-1, B/H Om Complex, B/S City Center, Swastik Cross Road, Ahmedabad-380009 Telephone: +91 9687275908 Email: btgadhavi78@gmail.com Contact Person: B. T. Gadhavi

Note: 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. For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

Statement of Inter Se Allocation of Responsibilities

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

Self-Certified Syndicate Banks (“SCSBs”)

The lists of banks that have been notified by SEBI to act as SCSB for the ASBA process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned SEBI link.

Issuer Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Issuer Bank for UPI mechanism are provided on the website <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above-mentioned SEBI link.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the BSE Limited at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 as updated from time to time.

Brokers to This Issue

All brokers registered with SEBI and members of the Recognised Stock Exchange can act as brokers to the Offer.

Registrar to Issue and Share Transfer Agents

The list of the RTAs eligible to accept applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Credit Rating

This being 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 Section IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

Monitoring Agency

As per regulation 262(1) of the SEBI ICDR Regulations 2018, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.10,000 Lakhs. Since the Issue size is only of Rs.1500 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

Appraising Entity

No appraising entity has been appointed in respect of any objects of this Issue.

Filing of Draft Prospectus/Prospectus with the SEBI/ROC

In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall be filed with the Board (SEBI) through the Lead Manager, immediately upon filing of the offer document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, The Board (SEBI) shall not issue any observation on the Prospectus.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, a copy of this Prospectus shall also be furnished to the Board in a soft copy.

A copy of the Prospectus shall be filed electronically with the SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI and with the Designated Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, a copy of the Prospectus will be mailed at the e-mail address: cfddil@sebi.gov.in

A copy of the Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Ahmedabad

Issue Programme

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with BSE SME	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on BSE SME	[●]

Expert Opinion

Our Company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this Draft Prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits by the Peer review Auditors and such consent has not been withdrawn as on the date of this Draft Prospectus.

Change in Auditors during the last three (3) years

The changes in the Auditors of our Company in the last three (3) years or to the extent applicable are as follows:

Name of the Auditor	V S S B & ASSOCIATES	B. Mayur & Associates
FRN No	121356W	137505W
Peer Review No.	12542	N.A.
Date of Appointment	September 20, 2021	September 30, 2017
Date of Resignation	N.A.	September 20, 2021
Email ID	vishvesca@gmail.com	camayur10@gmail.com
Address	A-912, Ratnaakar Nine Square, Opp. Keshavbaug Party Plot, Vastrapur, Ahmedabad- 380015	31, Navkar Flats, Near Navkar Jain Temple, Vasna Ahmedabad - 380007
Reason for Change	Appointed in casual vacancy.	Pre-occupation of Auditors in other assignments and unavailability to devote time.

Underwriter

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent (100%) of the offer and shall not be restricted up to the minimum subscription level and as per sub-regulation (2) The lead manager(s) shall underwrite at least fifteen per cent of the issue size on their own account(s).

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name, Address, Telephone, and Email of the Underwriter	Indicated no. of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue Size Underwritten
[●]	[●]	[●]	[●]

*Includes 3,00,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated [●] in order to comply with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter and Market Maker are sufficient to enable them to discharge their respective underwriting obligations in full.

Details of Market Making Arrangement for This Issue

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

Name	[●]
Address	[●]
Telephone	[●]
E-mail	[●]
Contact Person	[●]
SEBI Registration No	[●]
Market Maker Registration No.	[●]

[●], registered with BSE Limited, 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.

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

- *In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the BSE and SEBI regarding this matter from time to time.*
 - *In terms of regulation 261(2) of SEBI ICDR Regulations 2018, The market maker or issuer, in consultation with the lead manager(s) may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the BSE Ltd.*
 - *In terms of regulation 261(3) of SEBI ICDR Regulations 2018, Following is a summary of the key details pertaining to the Market Making arrangement*
1. The Market Maker “[●]” shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
 2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE SME and SEBI from time to time.
 3. The Market Maker is required to comply with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012, SEBI ICDR Regulations and relevant Exchange Circulars including BSE notice no: 20190718-28 dated 18th July, 2019 on Net worth requirement for Market Makers on SME platform.
 4. The minimum depth of the quote shall be Rs.1.00 Lakh. However, the investors with holdings of value less than Rs. 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
 5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.

6. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on BSE SME (in this case currently the minimum trading lot size is 6,000 equity shares; however, the same may be changed by the BSE SME from time to time).
7. The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the BSE Limited.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. In terms of regulation 261(6) of SEBI ICDR Regulations 2018, Market Maker shall not buy the Equity Shares from the Promoters or Persons belonging to promoter group of the Company or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.
11. In terms of regulation 261(7) of SEBI ICDR Regulations 2018, The Promoters' holding of 32,63,352 Equity Shares shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters' holding of 56,61,128 Equity Shares which is not locked-in as per the SEBI (ICDR) Regulations, 2018 as amended, can be traded with prior permission of the SME Platform of BSE Limited, in the manner specified by SEBI from time to time.
12. The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI (ICDR) Regulations, 2018.
13. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of [●] via its 2- way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
14. **Risk containment measures and monitoring for Market Maker:** BSE SME will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time- to-time.
15. **Punitive Action in case of default by Market Maker(s):** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are 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.

The Market Maker(s) shall have the right to terminate said arrangement by giving **three months' notice** or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.

16. 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
17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

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

18. 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.

19. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs.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 trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- In terms of regulation 261(4) of SEBI ICDR Regulations 2018, The specified securities being bought or sold in the process of market making may be transferred to or from the nominated investors with whom the lead manager(s) and the issuer have entered into an agreement for market making: Provided that the inventory of the market maker, as on the date of allotment of the specified securities, shall be at least five per cent. Of the specified securities proposed to be listed on BSE SME.
 - In terms of regulation 261(5) of SEBI ICDR Regulations 2018, The market maker shall buy the entire shareholding of a shareholder of the issuer in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE SME.

CAPITAL STRUCTURE

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this Draft Prospectus, is set forth below:

(Rs. in Thousands except No. of shares)

No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
A.	Authorized Share Capital		
	2,50,00,000 Equity Shares of face value of Rs.10/- each	2,50,000.00	-
B.	Issued, Subscribed & Paid-up Share Capital prior to the Offer		
	1,03,16,760 Equity Shares of face value of Rs.10/- each ⁽¹⁾	1,03,167.60	-
C.	Present issue in terms of the Draft Prospectus ⁽²⁾		
	60,00,000 Equity Shares of Rs.10/- each for cash at a price of Rs.25/- per share, including a securities premium of Rs. 15/- per share	60,000.00	150000.00
Which Comprises of			
D.	Reservation for Market Maker portion		
	3,00,000 Shares of Rs.10/- each for cash at a price a Rs.25/- per Equity Share	3,000	7,500
E.	Net Issue to the Public		
	57,00,000 Equity Shares of Rs.10/- each for cash at a price a Rs.25/- per Equity Share, out of which:	57,000	1,42,500
	28,50,000 Equity Shares of Rs.10/- each for cash at a price a Rs.25/- per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to Rs.2.00 lakhs	28,500	71,250
	28,50,000 Equity Shares of Rs.10/- each for cash at a price a Rs.25/- per Equity Share will be available for allocation for allotment to Other Investors of above Rs.2.00 lakhs	28,500	71,250
F.	Paid up Equity capital after the Issue		
	1,63,16,760 Equity Shares of Rs.10/- each		1,63,167.60
G.	Securities Premium Account		
	Before the Issue		0
	After the Issue		90,000.00

(1) Our Company has only one class of shares, i.e., Equity Shares having face value of Rs.10/- each and there are no partly paid-up Equity Shares or preference shares or convertible securities outstanding for conversion as on the date of this Draft Prospectus.

(2) The present Issue of 60,00,000 Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated August 19, 2022 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Annual General Meeting of the members held on August 29, 2022.

Details of changes in Authorized Share Capital of Our Company since incorporation:

Sr. No.	Date of Shareholders approval	EGM/AGM/ Postal Ballot	Authorized Share Capital (Rs.)	Details of change
1	April 2, 2013	On Incorporation	1,00,000	Incorporated with an Authorised Share Capital of Rs.1,00,000 comprising of 10,000 Equity Shares of Rs.10/- each.
2	April 5, 2021	EGM	12,00,00,000	Increased Authorised Capital from Rs.1.00 Laacs to Rs.12.00 Crores
3	August 29, 2022	AGM	25,00,00,000	Increased Authorised Capital from Rs.12.00 Crores to Rs.25.00 Crores

Details of changes in Paid up Equity Share Capital of Our Company since incorporation:

Date of Allotment	No. of Equity Shares	Face Value (In Rs.)	Issue Price (In Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Capital (in Rs.)	Cumulative Share Premium (in Rs.)
April 2, 2013	10,000	10	10	Cash	Subscription to MOA	10,000	1,00,000	-
August 6, 2021	70,000	10	10	N. A.	Bonus	80,000	8,00,000	-
August 6, 2021	27,00,000	10	10	N. A.	Preferential Allotment	27,80,000	2,78,00,000	-
August 13, 2021	25,11,900	10	10	Cash	Preferential Allotment	52,91,900	5,29,19,000	-
August 23, 2021	25,00,000	10	10	Cash	Preferential Allotment	77,91,900	7,79,19,000	-
August 31, 2021	25,24,480	10	10	Cash	Preferential Issue	1,03,16,380	10,31,63,800	-
June 30, 2022	380	10	10	Cash	Right Issue	1,03,16,760	10,31,67,600	-

Notes to above increase in capital / change in shareholders, in sequential order:

A. Changes in Equity Share Capital of our Company:

1. Allotment on Initial subscribers to the Memorandum of Association dated April 2, 2013

Sl. No.	Name of the allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares allotted
1	Shah Anant Ashok Kumar	10/-	10/-	Subscription to MOA	5000
2	Jigar Ashok Hebra	10/-	10/-	Subscription to MOA	5000
Total					10,000

2. Transfer of shares by initial subscribers to others:

Sl. No.	Date of Transfer	Name of the transferor	Name of the transferee	No. of shares	Consideration Paid (In Rs.)
1	October 01, 2013	Shah Anant Ashokkumar	Shah Maulikaben Anant	5000	50,000
2	April 2, 2020	Shah Maulikaben Anant	Shitalben Kaupilkumar Shah	5000	50,000
3	April 2, 2020	Jigar Ashok Hebra	Kaupilkumar Hasmukhbhai Shah	5000	50,000

3. Allotment of 70,000 fully paid up Equity shares as Bonus on August 06, 2021 to following holders in 1:7 ratio

Sl. No.	Name of the allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares allotted
1	Kaupilkumar Hasmukhbhai Shah	10/-	-	Bonus	35000
2	Shitalben Kaupilkumar Shah	10/-	-	Bonus	35000
Total					70,000

4. Simultaneous Allotment of 27,00,000 fully paid-up Equity shares through Preferential Allotment on August 06, 2021 to following holders:

Sl. No.	Name of the allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares allotted
1	Kaupilkumar Hasmukhbhai Shah	10/-	10/-	Preferential	27,00,000
Total					27,00,000

5. Allotment of 25,11,900 fully paid-up Equity shares through Preferential Allotment on August 13, 2021 to following holders:

Sl. No.	Name of the allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares allotted
1	Shitalben Kaupilkumar Shah	10/-	10/-	Preferential	16,20,000
2	Chandrima Mercantiles Limited	10/-	10/-	Preferential	8,91,900
Total					25,11,900

6. Allotment of 25,00,000 fully paid-up Equity shares through Preferential Allotment on August 23, 2021 to following holders:

Sl. No.	Name of the allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares allotted
1	Kaupilkumar Hasmukhbhai Shah	10/-	10/-	Preferential	10,00,000
2	Shitalben Kaupilkumar Shah	10/-	10/-	Preferential	10,00,000
3	Chandrima Mercantiles Limited	10/-	10/-	Preferential	5,00,000
Total					25,00,000

7. Allotment of 25, 24,480 fully paid up Equity shares through Preferential Allotment on August 31, 2021 to following holders:

Sl. No.	Name of the allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares allotted
1	Kaupilkumar Hasmukhbhai Shah	10/-	10/-	Preferential	14,27,300
2	Shitalben Kaupilkumar Shah	10/-	10/-	Preferential	10,97,180
Total					25, 24,480

8. Allotment of 380 fully paid up Equity shares through Rights Issue on June 30, 2022 to following holders:

Sl. No.	Name of the allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares allotted
1	Kaupilkumar Hasmukhbhai Shah	10/-	10/-	Right Issue	300
2	Shitalben Kaupilkumar Shah	10/-	10/-	Right Issue	80
Total					380

B. Preference share capital history of our Company:

As on the date of this Draft Prospectus, our Company does not have any preference share capital.

C. Equity shares issued for consideration other than cash

As on the date of this Draft Prospectus, Our Company has not issued Equity shares for consideration other than cash except as mentioned below:

Date of Allotment	Number of Equity Shares allotted	Issue Price (In Rs.)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
August 6, 2021	70,000	-	Nil	Bonus Share	Refer point 3 above [#]	Capitalization of Free reserves

[#]Please refer the table in Point 3 above dated August 06, 2021

D. Revaluation of our assets:

We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

E. If shares have been issued in terms of any scheme approved under section 230-234 of the Companies Act, 2013:

Our Company has not issued any Equity Shares in terms of any scheme approved under Sections 230-234 of the Companies Act, 2013.

F. If shares have been issued under one or more employee stock option schemes:

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Prospectus.

G. Issue of Equity Shares in the last one year below the Issue Price:

The Company has issued 380 Equity Shares at Price of Rs. 10/- per share to Promoters via Rights issue, which is below the issue price.

Further, except the Rights Issue dated June 30, 2022, the Company has not issued any shares at a price lower than the issue price during the preceding one year from the date of this Draft Prospectus.

H. Share Holding pattern

- (i) List of Major Shareholders holding 1% or more of the current paid-up equity share capital aggregating to at least 80% of capital of our Company as on the date of the Draft Prospectus:

Sl. No.	Name of the allottee	Number of Equity Shares held	% Of the Pre-Issue paid-up capital
1	Kaupilkumar Hasmukhbhai Shah	51,67,300	50.09
2	Shitalben Kaupilkumar Shah	37,57,180	36.42
3	Chandrima Mercantiles Limited	13,91,900	13.49%
Total		1,03,16,380	99.99%

- (ii) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on a date 10 (Ten) days before the date of the Draft Prospectus:

Sl. No.	Name of the allottee	Number of Equity Shares held	% Of the Pre-Issue paid-up capital
1	Kaupilkumar Hasmukhbhai Shah	51,67,300	50.09
2	Shitalben Kaupilkumar Shah	37,57,180	36.42
3	Chandrima Mercantiles Limited	13,91,900	13.49%
Total		1,03,16,380	99.99%

- (iii) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on a date 1 (one) year before the date of the Draft Prospectus:

Sl. No.	Name of the allottee	Number of Equity Shares held	% Of the Pre-Issue paid-up capital
1	Kaupilkumar Hasmukhbhai Shah	51,67,300	50.09
2	Shitalben Kaupilkumar Shah	37,57,180	36.42
3	Chandrima Mercantiles Limited	13,91,900	13.49%
Total		1,03,16,380	99.99%

(iv) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on a date 2 (two) year before the date of the Draft Prospectus:

Sl. No.	Name of the allottee	Number of Equity Shares held	% Of the paid-up capital
1	Shah Maulikaben Anant	5000	50%
2	Jigar Ashok Hebra	5000	50%
Total		10,000	100%

I. Proposal or intention to alter our capital structure within a period of 6 months from the date of opening of the Issue:

Our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. 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 after obtaining relevant approvals.

J. The Details of Shareholding of Promoters of Our Company

Capital Build-up of our Promoters in our company:

The current promoters of our Company are Kaupilkumar Hasmukhbhai Shah and Shitalben Kaupilkumar Shah

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company. As on the date of this Draft Prospectus, our Promoters collectively hold 89,24,480 Equity Shares, which constitutes approximately 86.51% of the Pre-IPO issued, subscribed and paid-up Equity Share capital of our Company and approximately 54.70% of the post-IPO issued, subscribed and paid-up Equity Share capital assuming full allotment of the shares offered in IPO. The Details are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Kaupilkumar Hasmukhbhai Shah	51,67,300	50.09	51,67,300	31.67
Shitalben Kaupilkumar Shah	37,57,180	36.42	37,57,180	23.03
Total Promoters Shareholding	89,24,480	86.51	89,24,480	54.70

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoters are subject to any pledge.

- **Set forth below is the build-up of the equity shareholding of our Promoters since the incorporation of our Company.**

i) Mr. Kaupilkumar Hasmukhbhai Shah

Date of Allotment/ Acquisition/Sale	Number of Equity Shares	Face Value	Issue/Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding %	Post-issue Share Holding %	Pledge
April 2, 2020	5,000	10/-	10/-	Cash	Purchase	0.00%	0.30%	0

August 6, 2021	35,000	10/-	N.A.	N.A.	Bonus	0.34%	0.21%	0
August 6, 2021	27,00,000	10/-	N.A.	N.A.	Preferential	26.17%	16.55%	0
August 23, 2021	10,00,000	10/-	10/-	Cash	Preferential	9.69%	6.13%	0
August 31, 2021	14,27,300	10/-	10/-	Cash	Preferential	13.84%	8.75%	0
December 07, 2021	(300)	10/-	10/-	Cash	Transfer	-	-	
June 30, 2022	300	10/-	10/-	Cash	Right Issue	-	-	0
Total	51,67,300					50.09%	31.66%	0

ii) Mrs. Shitalben Kaupilkumar Shah

Date of Allotment/Acquisition/Sale	Number of Equity Shares	Face Value	Issue/Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding %	Pledge
April 2, 2020	5,000	10/-	10/-	Cash	Purchase	0.00%	0.030%	0
August 6, 2021	35,000	10/-	N.A.	N.A.	Bonus	0.34%	0.21%	0
August 13, 2021	16,20,000	10/-	10/-	Cash	Preferential	15.70%	9.92%	0
August 23, 2021	10,00,000	10/-	10/-	Cash	Preferential	9.69%	6.12%	0
August 31, 2021	10,97,180	10/-	10/-	Cash	Preferential	10.64%	6.72%	0
December 07, 2021	(80)	10/-	10/-	Cash	Transfer	-	-	0
June 30, 2022	80	10/-	10/-	Cash	Right Issue			
Total	37,57,180					36.42	23.02	0.00

The average cost of acquisition for subscription to Equity Shares by our Promoters is set forth in the table below:

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In Rs. per Equity Share)
1	Kaupilkumar Hasmukhbhai Shah	51,67,300	9.93
2	Shitalben Kaupilkumar Shah	37,57,180	9.91

Note: All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares and there are no partly paid-up Equity Shares as on the date of filing of this Draft Prospectus.

K. As on date of this Draft Prospectus, our Company has 7 (Seven) shareholders.

L. The aggregate shareholding of the Promoters and Promoter Group and of the directors of the promoters, where the promoter is a body corporate.

The Aggregate shareholding of the Promoters & Promoter Group are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Promoters				
Kaupilkumar Hasmukhbhai Shah	51,67,300	50.09	51,67,300	31.67
Shitalben Kaupilkumar Shah	37,57,180	36.42	37,57,180	23.03
Total Promoters Shareholding (A)	89,24,480	86.51	89,248,60	54.70
Promoter Group				
Not Applicable	N.A.	N.A.	N.A.	N.A.
Total Promoters Group Shareholding (B)	0	0	0	0
Total Promoters & Promoters Group (A+B)	89,24,480	86.51	89,248,60	54.70

- There are no financing arrangements whereby the promoters, member of 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 since inception of the company.

M. Promoter's Contribution:

i) Details of Promoter's Contribution Locked-in of Equity Shares for Three (3) Years

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company.

Further, in terms of Regulation 238(a) of SEBI ICDR Regulations, minimum promoter's contribution will be locked-in for a period of three years from the date of Allotment or date of commencement of commercial production, whichever is later and the Equity Shares held by Promoter of our Company in excess of minimum promoter's contribution will be locked-in for a period of one year from the date of Allotment.

As on the date of this Draft Prospectus, our Promoters collectively hold 89,24,480 Equity Shares constituting 54.70 % of the Post offer issued, subscribed and paid-up Equity Share capital of our Company, out of which 89,24,480 Equity Shares constituting 54.69 % of the Post offer issued are eligible for the Promoter's Contribution margin of 20% of the post Issue equity share capital of our Company.

An aggregate of minimum 20.00% of the post-issue capital, held by our Promoters shall be considered as Promoter's Contribution ("Minimum Promoter's Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the 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.

Our Promoters have granted their consents to include such number of Equity Shares held by them as may constitute minimum 20.00% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this Draft Prospectus until the completion of the lock-in period specified above.

The details of lock-in of shares for 3 (three) years are as under:

Sr. No.	Name of the Promoter Shareholder	No. of Shares held	No. of Shares held for lock-in	Post-IPO Share Locked in (In%)	Lock in Period
1	Kaupilkumar Hasmukhbhai Shah	51,67,300	16,31,676	10%	3 years
2	Shitalben Kaupilkumar Shah	37,57,180	16,31,676	10%	3 years
		89,24,480	32,63,352		

32,63,352 Pre-IPO equity shares of our Company held by Our Promoters will be locked-in for 3 (three) years as mentioned above prior to listing of shares on SME Platform of BSE Limited.

In terms of Regulation 237 of SEBI ICDR Regulations, our Company confirms that none of the Equity Shares forming part of minimum promoter's contribution –

- Are acquired by our Promoter during preceding three financial years;
 - For consideration other than cash and where revaluation of assets or capitalization of intangible assets was involved; or
 - Through bonus issue of Equity Shares made by utilizing the revaluation reserves or unrealized gain or through bonus issue against equity shares which are ineligible for minimum promoter's contribution;
- Are pledged by our Promoter with any creditor;
- Consist of Equity Shares acquired by our Promoter during preceding one year at a price lower than the Issue Price.

Our Company was incorporated under the Companies Act, 2013 and was not incorporated by converting the partnership firm(s) or LLP(s)

The Promoters have severally confirmed that the Equity Shares are eligible in terms of Regulation 237 of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares are free from any lien, encumbrance or third-party rights. The Promoters have also severally confirmed that they are the legal and beneficial owners of the Equity.

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

ii) Details of Equity Shares Locked-in for one (1) year

In excess of minimum 20% of the post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), the balance pre-issue share capital of our Company held by promoters shall be locked in for a period of one year from the date of Allotment in this Issue as provided in clause 238(b) of SEBI (ICDR) Regulations 2018.

Further, in terms of Regulation 239 of SEBI ICDR Regulations, entire pre-Issue equity shares capital of our Company held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Issue.

The details of lock-in of shares for 1 (one) year are as under:

Name of Shareholders	Category	No. of Shares held	Lock-In for 3 Years	Lock-In for 1 Year
Kaupilkumar Hasmukhbhai Shah	Promoter	51,67,300	16,31,676	35,35,662
Shitalben Kaupilkumar Shah	Promoter	37,57,180	16,31,676	21,25,542
Chandrima Mercantiles Limited	Public	13,91,900	0	13,91,900
Bhavna Narendra Chitalia	Public	100	0	100
Narendra Balubhai Chitalia	Public	100	0	100
Juhi Chirag Vyas	Public	100	0	100
Gehna Narendra Gupta	Public	80	0	80

iii) Other requirements in respect of lock-in

Inscription or recording of non-transferability:

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

Pledge of Locked-in Equity Shares

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company as collateral security for loans granted by such scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company, subject to fulfilment of following conditions:

- i) In respect of Equity Shares which are locked in for a period of one year, the pledge of the Equity Shares is one of the terms of the sanction of the loan;
- ii) In respect of Equity Shares which are locked in for a period of three years, the loan has been granted by such scheduled commercial bank or public financial institution or systemically important non-banking finance company or housing finance company to our Company or our Subsidiary (ies) for the purpose of financing one or more of the objects of the Issue and the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Transfer of Locked-in Equity Shares

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;

- i) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters’ Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- ii) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters’ Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

iv) **Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this Draft Prospectus:**

There is no Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this Draft Prospectus except as mentioned in this chapter and Draft Prospectus.

N. Our Company, its Directors, Promoters or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of our Company.

O. The Equity Shares issued pursuant to this Issue shall be fully paid-up.

- P. The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this Draft Prospectus.**
- Q. There are no options granted or equity shares issued under any scheme of employee stock option or employee stock purchase of issuer, in the preceding three years (separately for each year) and on a cumulative basis for all options or equity shares issued prior to the date of the Draft Prospectus.**
- R. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Prospectus.**

Other miscellaneous disclosures:

1. None of the Equity Shares of our Company are subject to any pledge as on the date of this Draft Prospectus.
2. Except as disclosed in the chapter titled “Our Management” beginning on page 97 of this Draft Prospectus, none of our directors or Key Managerial Personnel holds any Equity Shares in our Company.
3. None of our Promoters, Promoter Group, our directors and their relatives has entered into any financing arrangements or financed the purchase of the Equity shares of our Company by any other person during the period of six (6) months immediately preceding the date of filing of the Draft Prospectus.
4. We hereby confirm that there will be no further issue of capital whether by the way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity shares offered have been listed or application money unblocked on account of failure of issue.
5. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
6. Our Company has not issued Equity Shares out of Revaluation Reserves.
7. Our Company shall comply with such disclosures and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
8. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this Draft Prospectus.
9. Our Company has not raised any bridge loan against the proceeds of this issue.
10. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Draft Prospectus.
11. Our Company has not revalued its assets since incorporation.
12. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
13. 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 i.e., BSE Limited (BSE SME Platform). Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
14. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of SEBI (ICDR) Regulations.
15. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
16. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.

17. There are no Equity Shares against which depository receipts have been issued.
18. Other than the Equity Shares, there is no other class of securities issued by our Company.
19. This issue is being made through Fixed Price method.
20. This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:
 - (a) Minimum 50% to the Retail individual investors; and
 - (b) remaining to:
 - i. individual applicants other than retail individual investors; and
 - ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

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

Explanation: For the purpose of Regulation 253, sub-regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

21. Our Promoters and members of our Promoter Group will not participate in the Issue.

SECTION V: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The present Issue is for a fresh Issue of 60,00,000 Equity Shares of our Company at an Issue Price of Rs.25/- per Equity Share aggregating to Rs.1500.00 Lakhs. We intend to utilize the proceeds of the Issue to meet the following objects:-

1. To meet the working capital requirements of the company
2. General Corporate Purposes
3. To meet the Issue Expenses

We believe that listing will enhance our Company's corporate image and brand name. We also believe that our company will receive the benefits from listing of Equity Shares on the SME Platform of BSE (BSE SME). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as the foreign institutional investors.

Our Company is engaged in the business of trading of products like seeds, agricultural produces mainly Rice, Wheat, Onions, Potato, Tomato, Isabgol, and Pulses. We have an integrated online platform which includes products such as cereals, oil seeds, pulses, and vegetables. The company is also engaged in contract manufacturing for agricultural produce such as Cucumber, Onion and Castor.

The main object clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the object's clause of our Memorandum. The fund requirement and development are based on internal management estimates and has not been appraised by any bank or financial institution.

The details of the estimated proceeds of the Issue are as follows:

Particulars	Amount (In Rs. Lakh)
Gross proceeds to be raised through this Issue ("Issue Proceeds")	1500.00
Issue related expenses	30.00
Net proceeds of the Issue after deducting the Issue related expenses from the Issue Proceeds ("Net Proceeds")	1470.00

Requirement of Funds and Utilization of Net Proceeds

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

Particulars	Amount (In Rs. Lakh)
To meet the Working Capital Requirements	1,125.00
General Corporate Purposes	345.00
Total	1470.00

Proposed schedule of implementation and utilization of Net Proceeds

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

(In Rs. Lakh)

Particulars	Amount	Amount to funded from Net Proceeds	Amount to be deployed from the Net Proceeds
		FY 2022-23	FY 2023-24
Working Capital Requirements	1125.00	Nil	1125.00
General Corporate Purposes	345.00	Nil	345.00
Total	1470.00	Nil	1470.00

Means of Finance:

Particulars	Amount (In Rs. Lakh)
Net Proceeds of the issue	1470.00
Total	1470.00

The stated objects of the Issue are proposed to be entirely financed by the Net Proceeds of the Issue, thus, we are not required to make any firm arrangements of finance through verifiable means towards 75% of the stated means of finance excluding the amount to be raised through the proposed Issue, as required under Regulation 230(1)(e) of the SEBI (ICDR) Regulations.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013 / Companies Act, 1956.

While we intend to utilise the Net Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements.

No part of the proceeds of this issue will be paid as consideration to our promoters, directors, key managerial employees or group concerns/companies promoted by our promoters.

Balance portion of the means of finance for which no firm arrangement has been made.

Nil. The Means of Finance consists only of proceeds from the Proposed Issue.

In case of shortfall in net proceeds required to fund our stated objects, we may explore a range of options including utilizing our internal accruals, and / or seeking debt from lenders to fund our stated objects.

The details of funds tied up and the avenues for deployment of excess proceeds, if any.

No funds have been tied up and no excess proceeds are expected to be received. Oversubscriptions, if any, shall be duly refunded.

APPRAISAL

No appraisal of the project cost has been done. It is based upon Management estimates and commercial quotations.

DEPLOYMENT OF FUNDS:

The Company has received the Sources and Deployment Funds Certificate dated March 07, 2023 from the Statutory Auditors, M/s V S S B & Associates, Chartered Accountants. The certificate states that the Company has deployed amounts aggregating Rs. 12.77 Lakhs till March 07, 2023. Details of the sources and deployment of funds as on March 07, 2023 as per the certificate are as follows:

Particulars	Amount (Rs. in Lakh)
Issue Expenses	12.77
Total	12.77

SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED

Particulars	Amount (Rs. Lakh)
Internal Resources	12.77
Total	12.77

Working Capital Requirement and basis of estimation:

Our business is working capital intensive and our Company funds a majority of our working capital requirement through internal accruals and Unsecured Loans. For the expansion of our business, to enter new geographical areas and future growth requirements, our Company requires additional working capital which is based on our management estimations of the future business plan.

Details of estimation of working capital requirement are as follows:

(Rs. In Lakhs)

S.No.	Particulars	As on March 31 2021 (Audited & Restated)	As on March 31 2022 (Audited & Restated)	As on Sep 30 2022 (Audited & Restated)	As on March 31 2023 (Estimated and Budgeted)	As on March 31 2024 (Estimated and Budgeted)
A.	Current Assets					
	Inventories	-	-	-	-	-
	Trade Receivables	212.64	828.61	642.11	640.88	1,515.27
	Other Current Assets	-	-	-	-	-
	Short Term Loans and Advances and Other Current Assets	-	1.21	298.93	321.92	572.27
	Total Current Assets (A)	212.64	829.83	941.04	962.79	2,087.54
B.	Current Liabilities and Provisions					
	Trade Payables	241.15	209.83	204.81	182.25	213.93
	Other current liabilities and provisions	0.25	6.91	11.74	18.77	12.65
	Total current liabilities and Provisions (B)	241.40	216.74	216.54	201.02	226.59
	Total Working Capital requirement (A-B)	(28.76)	613.09	724.50	761.77	1,860.95
	Additional Working Capital requirement		641.84	111.41	37.27	1,099.18
	Source of Working Capital					
	IPO Proceeds	NA	-	-	-	1,125.00
	Short Term borrowings	NA	-	-	-	-
	Existing Equity and Internal Accruals	NA	613.09	724.50	761.77	735.95
	Others	NA	-	-	-	-
	Total Source of Working Capital	-	613.09	724.50	761.77	1,860.95

Holding Period

S. No.	Particulars	As on March 31 2021 (Audited & Restated)	As on March 31 2022 (Audited & Restated)	As on Sep 30 2022 (Audited & Restated)	As on March 31 2023 (Estimated and Budgeted)	As on March 31 2024 (Estimated and Budgeted)
1	Trade Receivables holding period (based on Operating Sales)	222	170	122	120	146

2	Trade Payables (based on Purchases of Traded Goods)	261	46	43	38	23
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Assumption for Working Capital requirements

Particulars	Assumptions made and justification
Current Assets	
Trade Receivables	In financial year, 2021, 2022 and 06 months period ended September 30, 2022, our Trade Receivables holding period was 222 days, 170 days and 122 days respectively. We are estimating to maintain the Trade Receivables holding period at levels of 120 days and 146 days for financial year 2023 and 2024 as per our projected financials and market condition.
Current Liabilities	
Trade Payables	In financial year, 2021, 2022 and 06 months period ended September 30, 2022, our Trade Payable holding period was 261 days, 46 days and 43 days respectively. We are estimating to maintain the Trade Payable holding period at levels of 38 days and 23 days for financial year 2023 and 2024 as per our projected financials and market condition.

A. General Corporate Purpose

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 amount being raised by our Company through this issue, in compliance with the Chapter IX, Regulation 230 (2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Net Proceeds i.e., Rs. 345.00 Lakhs, towards general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to the following:

- Strategic Initiatives
- Brand Building and strengthening of marketing activities; and
- Ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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

B. Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, selling commission, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees, statutory expenses etc. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Activity	Estimated Expenses (Rs. in Lakhs)	As a % of Total Issue Expenses	% of the Total Issue Size
Lead Manager Fees including other intermediaries' fees	[•]	[•]	[•]
Regulators Including Stock Exchanges	[•]	[•]	[•]
Advertising and Marketing Expenses	[•]	[•]	[•]
Printing and distribution of Issue Stationary	[•]	[•]	[•]
Total	[•]	[•]	[•]

Notes:

- ASBA Bankers: The SCSBs will be entitled to selling commission of Rs.10/- (plus GST) per valid application form for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Retail Individual Bidders and Non-Institutional Bidders.

Further, the SCSBs would be entitled to processing fees of 0.01% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms.

- SYNDICATE ASBA: Other intermediaries will be entitled to procurement fees of Rs.10/- (plus GST) per valid application form for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Retail Individual Bidders and Non-Institutional Bidders.

Further, the SCSBs would be entitled to processing fees of 0.01% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.

- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of Rs.10/- (plus GST) per valid application form made by the Retail Individual Bidders using the UPI mechanism for processing.
- The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.

Appraisal by Appraising Fund:

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 variations in interest rate structures, changes in our financial condition and current commercial conditions 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 this Draft Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

Interim Use of Proceeds

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

Monitoring Utilization of Funds

As the Issue size is less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business and for working capital requirements.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act. The Postal

Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

Other Confirmations

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company's Key Managerial Personnel, director of promoters 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, director of promoters except in the normal course of business and in compliance with the applicable laws.

BASIS FOR ISSUE PRICE

Investors should read the following summary with the chapter titled “**Risk Factors**” on page 18, the details about our Company under the chapter titled “**Our Business**” and its financial statements under the chapter titled “**Restated Financial Information**” beginning on pages 79 and 118 respectively including important profitability and return ratios, as set out under the chapter titled “**Other Financial Information**” of the Company on page 137 to have a more informed view. The issue price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his/their investment.

Qualitative Factors

For details of Qualitative factors please refer to the paragraph ‘**Our Strengths**’ in the chapter titled ‘**Our Business**’ beginning on page no. 79 of this Draft Prospectus.

Quantitative Factors (Based on Standalone Financial Statements)

1. Basic & Diluted Earnings Per Share (EPS):

Period	Basic and Diluted EPS (In Rs.)	Weights
Year ended March 31, 2020	(0.18)	1
Year ended March 31, 2021	43.16	2
Year ended March 31, 2022	0.94	3
Weighted Average	14.83	
September 30, 2022 (Non-Annualised)	0.59	

Notes:

A) a) The figures disclosed above are based on the restated financial statements of the Company.

b) The face value of each Equity Share is Rs. 10.00.

c) Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.

d) The above statement should be read with **Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure 04 from page no. 118 onwards.**

e) **Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/ period.**

f) **Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.**

g) **Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].**

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 25:

Particulars	P/E at the Issue Price of Rs. 25:
Based on the Basic and Diluted FY 2021-22	26.60
Based on the Weighted Average Basic and Diluted EPS	1.69
Industry P/E	
Highest	15.47
Lowest	6.31
Average	10.89

**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 Ratio of the industry peer set disclosed in this Chapter. For further details, see “Comparison of Accounting Ratios with Industry peers” on page 62.*

3. Average Return on Net Worth (RoNW):

Period	Return on Net Worth (%)	Weights
Year ended March 31, 2020	-2.37	1
Year ended March 31, 2021	84.89	2
Year ended March 31, 2022	4.49	3
Weighted Average		30.15

Note:

RoNW (%) = Net profit after tax/ Net worth at the end of the year.

Net worth = Equity share capital + Other Equity (including Securities Premium and Surplus/ (Deficit) and other comprehensive income excluding share application money).

4. Net Asset Value (NAV) per Equity Share:

Particulars	NAV (in Rs.)
As on September 30, 2022	11.04
As on March 31, 2022	10.44
NAV after the Issue	16.17
Issue Price	25.00

Note:

a) NAV per Equity Share will be calculated as net worth divided by number of equity shares outstanding at the end of the year.

5. Peer Competitors - Comparison of Accounting Ratios:

Name of the Company	CMP *	Face Value (in Rs.)	EPS (in Rs.)	P/E Ratio	RONW (%)	Book Value (in Rs.)
CCAL	[●]	10	0.94	[●]	4.49	10.44
Peer Group						
MK Exim (India) Ltd	89.87	10.00	5.81	15.47	27.99	18.51
Alstone Textiles (India) Ltd	1.02	1	0.16	6.31	15.46	97.36

Source: <https://bseindia.com>

Source: The Company's Financial Figures are based on restated audited financial statements for the financial year ended on March 31st, 2022 unless provided otherwise. With respect to Industry peers, all the financial information mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and sourced from the audited financials of the respective companies for the year ended March 31st, 2022 unless provided otherwise.

We believe that none of the listed companies in India offer products or services across the various business segments in which we operate. Hence a strict comparison is not possible.

* as on March 09, 2023

Note:

(1) NAV is computed as the closing net worth divided by the outstanding number of equity shares as on March 31, 2022.

6. The face value of Equity Shares of our Company is Rs. 10 per Equity Share and the Issue Price of Rs. 25/- per Equity Share is 2.5 times the face value.

7. The Issue Price of 25 is determined by our Company in consultation with the Lead Manager and is justified based on the above accounting ratios. For further details, please refer to the section titled 'Risk Factors', and chapters titled 'Our Business' and 'Restated Financial Statement' beginning on page no. 18, 79 and 118, respectively of this Draft Prospectus.

STATEMENTS OF POSSIBLE TAX BENEFITS

To,

The Board of Directors

City Crops Agro Limited

A-208, Titanium City Centre,

Nr Sachin Tower,

100 Ft Ring Road,

Satellite, Ahmedabad- 380015

Sub: Statement of possible special tax benefits (“the Statement”) available to City Crops Agro Limited (“the Company”) and its shareholders is prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)

Re: Proposed Initial Public Offering of Equity Shares (the “Equity Shares”) of City Crops Agro Limited (the “Company”) and such initial public offering, the “Offer”)

Dear Sir/Ma’am,

We, **V S S B & Associates**, Chartered Accountants, hereby confirm that the enclosed **Annexure I** states the possible special tax benefits available to the Company and to its shareholders (the “**Statement**”), under direct and indirect taxes (together “the **Tax Laws**”), presently in force in India. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil such conditions.

The benefits discussed in the enclosed **Annexure I** are not exhaustive and cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to them. The Statement is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her or its own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Offer, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither do we suggest nor do we advise the investors to invest money based on this Statement.

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

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with, or
- iii) the revenue authorities will concur with the views expressed herein.

The contents of the enclosed **Annexure I** are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This certificate is for information and for inclusion (in part or full) in the Draft Prospectus and/or the prospectus to be filed in relation to the Offer or any other Offer related material, and may be relied upon by the Company, the Lead Manager. We

hereby consent to the submission of this certificate as may be necessary to the Securities and Exchange Board of India, the relevant Registrar of Companies and the Stock Exchange.

Yours faithfully,

For, V S B & Associates
Chartered Accountants
FRN 121356W

(Vishves Shah)
Partner
M No 109944
Date: December 15, 2022
Place: Ahmedabad
UDIN: 22109944BFNLRQ4654

Enclosed:

Annexure I: Statement of possible special tax benefits available to the Company and to the shareholders of the Company under applicable direct and indirect tax laws

ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND TO THE SHAREHOLDERS OF THE COMPANY UNDER APPLICABLE DIRECT AND INDIRECT TAX LAWS

This statement of possible special tax benefits is required as per Schedule-VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**ICDR Regulations**”). While the term ‘special tax benefits’ has not been defined under the ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in this Annexure. Any benefits under the taxation laws other than those specified in this Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement.

Further, any benefits available under any other laws within or outside India, except for those mentioned in this Annexure have not been examined and covered by this statement.

Direct Taxation:

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 (the “**Act**”), as amended by Finance Act, 2022 i.e., applicable for Financial Year 2022-23 relevant to the Assessment Year 2023-24, presently in force in India.

I. Special tax benefits available to the Company

There are no Special tax benefits available to Company.

II. Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders for investing in the shares of the Company.

Notes:

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Statement covers only certain relevant benefits under Income tax Act, 1961 read with relevant rules, circulars and notifications and does not cover any indirect tax law benefits or benefit under any other law.
3. The above Statement of possible tax benefits is as per the current Income tax Act, 1961 read with relevant rules, circulars and notifications relevant for the Assessment Year 2022-23.
4. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
5. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant double tax avoidance agreements, if any, between India and the country in which such non-resident is a tax resident of.
6. Our views expressed in this Statement are based on the facts and assumptions as indicated in the Statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

Indirect Taxation:

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 (“**GST law**”), the Customs Act, 1962, Customs Tariff Act, 1975 (“**Customs law**”) and Foreign Trade Policy 2015-2020 (“**FTP**”) (collectively referred as “**Indirect Tax**”) read with rules, circulars, and notifications

I. Special tax benefits available to the Company

There are no Special Indirect tax benefits available to Company.

II. Special tax benefits available to Shareholders

There are no Special Indirect tax benefits available to the shareholders for investing in the shares of the Company.

Notes:

1. The above Statement of Indirect Tax benefits sets out the special tax benefits available to the Company and its shareholders under the Indirect Tax laws mentioned above.
2. The above Statement covers only above-mentioned tax laws benefits and does not cover any Income Tax law benefits or benefits under any other law.
3. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For, V S B & Associates
Chartered Accountants
FRN 121356W

(Vishves Shah)
Partner
M No 109944
Date: December 15, 2022
Place: Ahmedabad
UDIN: 22109944BFNLRQ4654

SECTION VI: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 18 and 113 of this Draft Prospectus.

Global Economic Overview

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

Global growth is projected to slow from an estimated 6.0% in 2021 to 3.2% in 2022 and 2.7% in 2023. Latest forecasts project global growth to remain unchanged in 2022 at 3.2 percent and to slow to 2.7 percent in 2023. About a third of the world economy faces two consecutive quarters of negative growth. Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Upside inflation surprises have been most widespread among advanced economies, with greater variability in emerging market and developing economies.

Risks to the outlook remain unusually large and to the downside. Monetary policy could miscalculate the right stance to reduce inflation. Policy paths in the largest economies could continue to diverge, leading to further US dollar appreciation and cross-border tensions. More energy and food price shocks might cause inflation to persist for longer. Global tightening in financing conditions could trigger widespread emerging market debt distress. Halting gas supplies by Russia could depress output in Europe. A resurgence of COVID-19 or new global health scares might further stunt growth. A worsening of China’s property sector crisis could spill over to the domestic banking sector and weigh heavily on the country’s growth, with negative cross-border effects. And geopolitical fragmentation could impede trade and capital flows, further hindering climate policy cooperation.

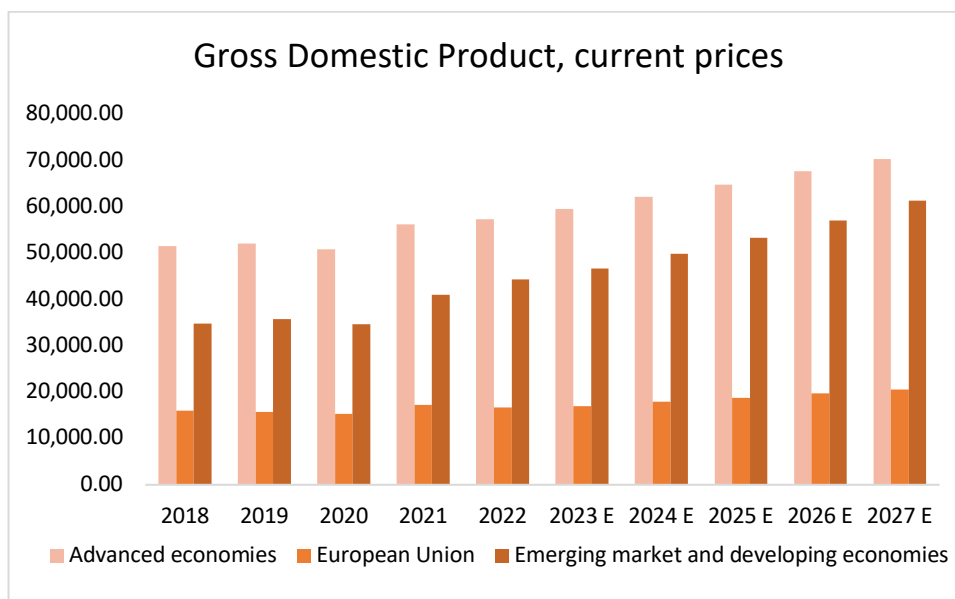
Global Growth Outlook Projections (in %)

Country/Group	Projected		
	2021	2022	2023
World Output	6.0	3.2	2.7
Advanced Economies	5.2	2.4	1.1
United States	5.7	1.6	1.0
Euro Area	5.2	3.1	0.5
Japan	1.7	1.7	1.6
United Kingdom	7.4	3.6	0.3
Canada	4.5	3.3	1.5
Other Advanced Economies	5.3	2.8	2.3
Emerging Markets and Developing Economies	6.6	3.7	3.7
Emerging and Developing Asia	7.2	4.4	4.9
China	8.1	3.2	4.4
India*	8.7	6.8	6.1
ASEAN-5	3.4	5.3	4.9
Emerging and Developing Europe	6.8	0.0	0.6
Russia	4.7	-3.4	-2.3
Latin America and the Caribbean	6.9	3.5	1.7

Middle East and Central Asia	4.5	5.0	3.6
Sub-Saharan Africa	4.7	3.6	3.7
Emerging Market and Middle-Income Economies	6.8	3.6	3.6
Low-Income Developing Countries	4.1	4.8	4.9

*For India, data and forecasts are presented on a fiscal year basis with FY 2021/22 starting in April 2021. For the April 2022 WEO, India's growth projections are 8.9% in 2022 and 5.2% in 2023 based on calendar year
Source: IMF, World Economic Outlook, October 2022

Gross Domestic Product (at current prices) is expected to continue rising at a stable growth rate. The gap between the Advanced economies and Emerging market and developed economies is expected to decline even further until 2027, as the growth in the developing economies is expected to be strong once the inflationary pressures subside. In the developing economies, the growth in the GDP is likely to be driven by the India's and China's economy.



Source: <https://www.imf.org/en/Publications/WEO/weo-database/2022/October/weo-report?a=1&c=110,998,200,&s=NGDPD,PCPIPCH,&sy=2018&ey=2027&ssm=0&scsm=1&ssc=0&ssd=1&ssc=0&sic=0&sort=country&ds=.&br=1>

Advanced Economies Group

For advanced economies, growth is projected to slow from 5.2 percent in 2021 to 2.4 percent in 2022 and 1.1 percent in 2023. With the slowdown gathering strength, growth is revised down compared with the July WEO Update (by 0.1 percentage point for 2022 and 0.3 percentage point for 2023). The projected slowdown and the downgrades are concentrated in the US and European economies.

Growth in the United States is projected to decline from 5.7 percent in 2021 to 1.6 percent in 2022 and 1.0 percent in 2023, with no growth in 2022 on a fourth-quarter-over-fourth-quarter basis. Growth in 2022 has been revised down by 0.7 percentage point since July, reflecting the unexpected real GDP contraction in the second quarter. Declining real disposable income continues to eat into consumer demand, and higher interest rates are taking an important toll on spending, especially spending on residential investment.

In the euro area, projected growth is 3.1 percent in 2022 and 0.5 percent in 2023. Weak 2023 growth across Europe reflects spillover effects from the war in Ukraine, with especially sharp downward revisions for economies most exposed to the Russian gas supply cuts, and tighter financial conditions. Apart from these, other factors contributing to a less rapid near term slowdown than in the United States, including policy interest rates at still lower levels and, in a number of European economies, Next Generation EU funds supporting economic activity.

Growth in Japan is expected to be more stable at 1.7 percent in both 2021 and 2022 and 1.6 percent 2023. The revisions reflect mainly external factors, with a negative shift in the terms of trade (ratio of export to import prices) from higher energy import prices as well as lower consumption as price inflation outpaces wage growth.

Emerging Market and Developing Economies Group

Growth in the emerging market and developing economy group is expected to decline to 3.7 percent in 2022 and remain there in 2023, in contrast to the deepening slowdown in advanced economies.

In emerging and developing Asia, growth is projected to decline from 7.2 percent in 2021 to 4.4 percent in 2022 before rising to 4.9 percent in 2023. The revisions reflect the downgrade for growth in China, to 3.2 percent in 2022 which was affected by COVID-19 lockdowns in multiple localities and worsening property market crisis. However, the outlook is expected to improve to 4.4% in 2023. The outlook for India is for growth of 6.8 percent in 2022, reflecting a weaker-than-expected outturn in the second quarter and more subdued external demand—and 6.1 percent in 2023.

For the Association of Southeast Asian Nations (ASEAN)-5 economies, projected growth in 2023 is revised down to reflect mainly less favorable external conditions, with slower growth in major trading partners such as China, the euro area, and the US; the decline in household purchasing power from higher food and energy prices; and in most cases, more rapid monetary policy tightening to bring inflation back to target.

Growth in the Middle East and Central Asia is projected to increase to 5.0 percent in 2022, largely reflecting a favorable outlook for the region’s oil exporters and an unexpectedly mild impact of the war in Ukraine on the Caucasus and Central Asia. In 2023 growth in the region is set to moderate to 3.6 percent as oil prices decline and the headwinds from the global slowdown and the war in Ukraine take hold.

In sub-Saharan Africa, the growth outlook is slightly weaker than predicted in July, with a decline from 4.7 percent in 2021 to 3.6 percent and 3.7 percent in 2022 and 2023, respectively— downward revisions of 0.2 percentage point and 0.3 percentage point, respectively. This weaker outlook reflects lower trading partner growth, tighter financial and monetary conditions, and a negative shift in the commodity terms of trade.

Inflation and Uncertainty

The world is in a volatile period: economic, geopolitical, and ecological changes all impact the global outlook. Inflation has soared to multi-decade highs, prompting rapid monetary policy tightening and squeezing household budgets, just as COVID-19- pandemic-related fiscal support is waning.

Many low-income countries are facing deep fiscal difficulties. At the same time, Russia’s ongoing war in Ukraine and tensions elsewhere have raised the possibility of significant geopolitical disruption. Although the pandemic’s impact has moderated in most countries, its lingering waves continue to disrupt economic activity, especially in China. And intense heat waves and droughts across Europe and central and South Asia have provided a taste of a more inhospitable future blighted by global climate change.

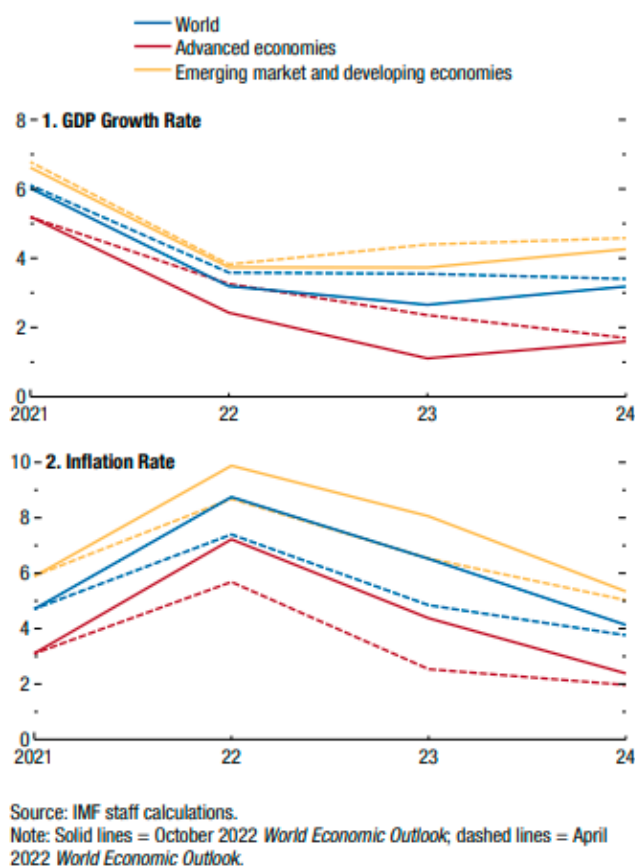
Three key factors critically shape this economic outlook: monetary policy’s stance in response to elevated inflation, the impact of the war in Ukraine, and the ongoing impact of pandemic-related lockdowns and supply chain disruptions. Uncertainties continue to cloud forecasts of global growth and inflation. The adverse shocks of 2022 are expected to have long-lasting effects on output. Although windfall gains and gains from reform may protect some countries (for example, Gulf Cooperation Council members), by 2026, the output loss (cumulative growth) compared with those early 2022 forecasts is projected at 3.0 percent: more than double the initial impact.

The forecast for global headline consumer price index inflation is for a rise from 4.7 percent in 2021 to 8.8 percent in 2022—an upward revision of 0.5 percentage point since July—and a decline to 6.5 percent in 2023 and 4.1 percent in 2024.

Global trade growth is slowing sharply: from 10.1 percent in 2021 to a projected 4.3 percent in 2022 and 2.5 percent in 2023. This is higher growth than in 2019, when rising trade barriers constrained global trade, and during the COVID-19 crisis in 2020, but well below the historical average (4.6 percent for 2000–21 and 5.4 percent for 1970–2021), mainly due to the declining global output.

Risks to the outlook continue to be on the downside. Overall, risks are elevated as the world grapples with the impact of Russia’s invasion of Ukraine, a slowdown in economic activity as central banks ramp up efforts to quell inflation, and the lingering pandemic.

Indian Economic Overview:

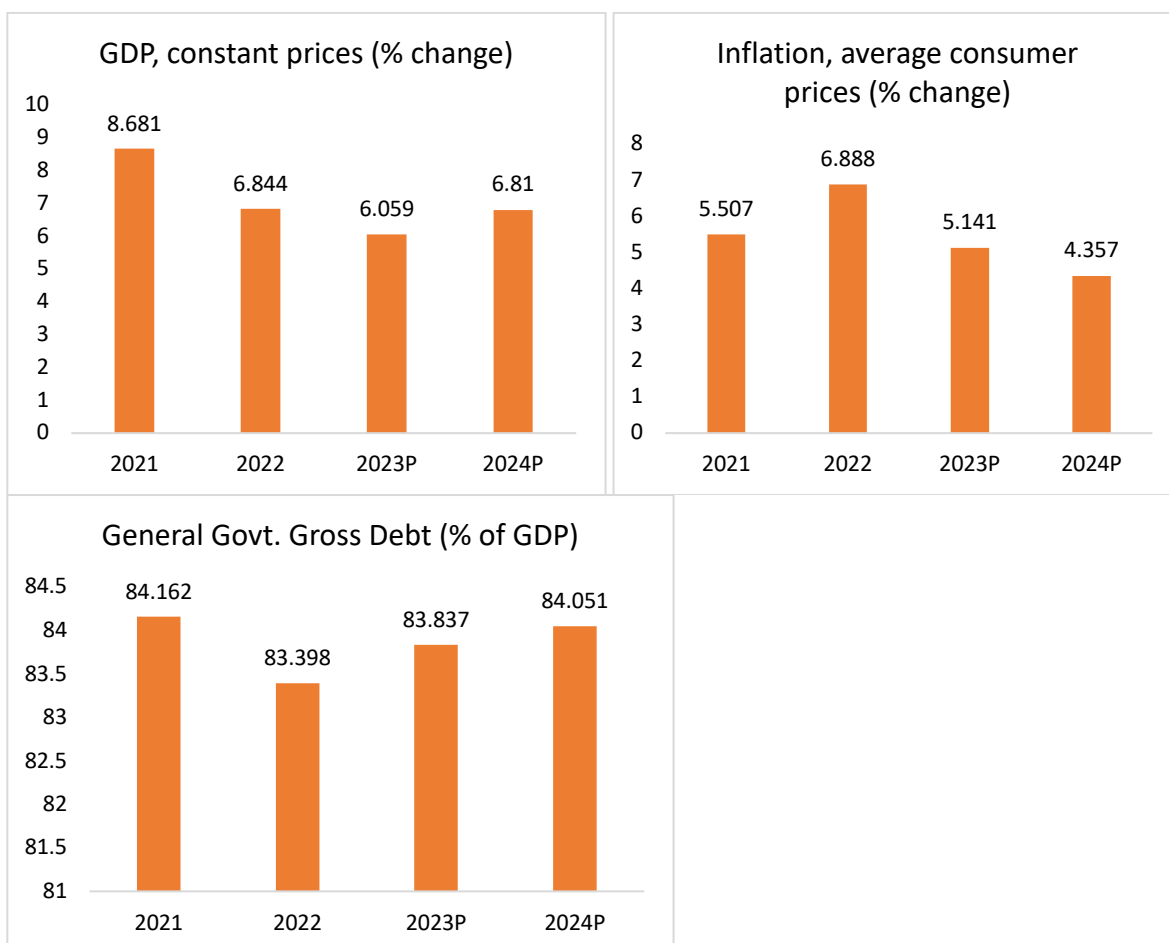


India's rapid and comprehensive policy responses to the pandemic, including fiscal support and economic reforms are boosting the recovery and thus India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years.

Real GDP or Gross Domestic Product (GDP) at Constant (2011-12) Prices in 2022-23 is estimated to attain a level of Rs.38.17 lakh crore, as against Rs.35.89 lakh crore in Q2 2021-2022, showing a growth of 6.3%.

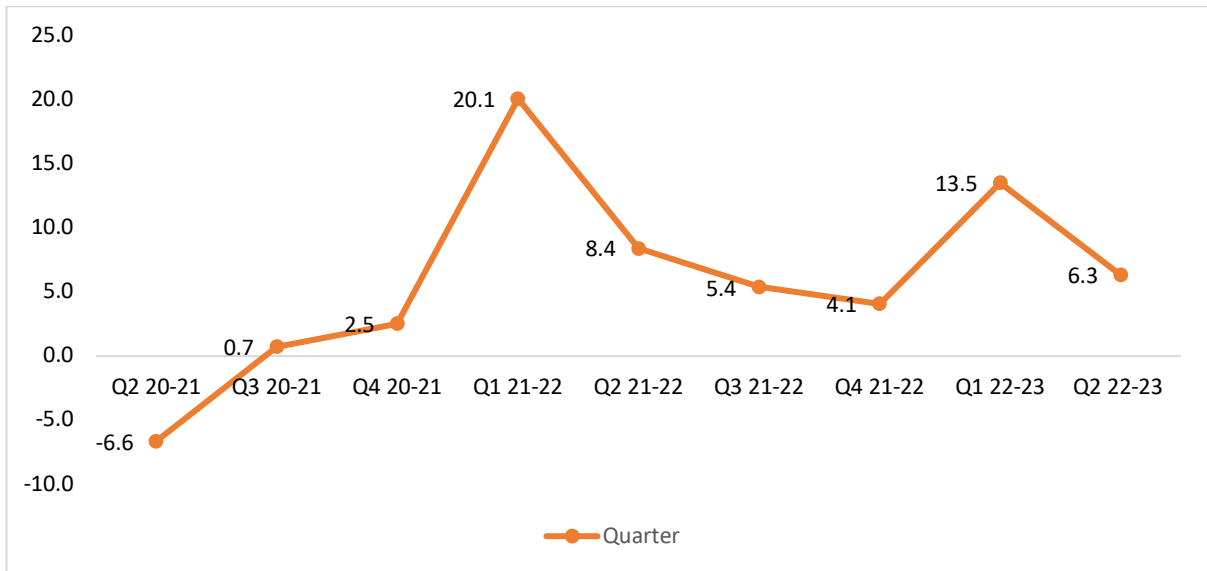
Nominal GDP or GDP at Current Prices in Q2 2022-23 is estimated at Rs. 65.31 lakh crore, as against Rs. 56.20 lakh crore in Q2 2021-22, showing a growth of 16.2%.

On an annual basis, the GDP at constant prices is expected to increase in FY24 by 6.81% after seeing a dip in FY23 of 6.059% once the projected inflationary pressures subsides. The inflation is expected to ease off going forward in FY2024 with a projected inflation of 4.36% from the inflation of 6.88% recorded in FY22.



Source: https://www.imf.org/en/Publications/WEO/weo-database/2022/October/weo-report?c=534,&s=NGDP_R,NGDP_RPCH,PCPI,PCPIPCH,GGXWDG,GGXWDG_NGDP,&sy=2020&ey=2027&ssm=0&scsm=1&sc=0&ssd=1&ssc=0&sic=0&sort=country&ds=.&br=1

Sequential growth in GDP at constant prices (in %)



Source: MOSPI

The provisional estimates released by National Statistical Office (NSO) show real GDP in Q2 of 2022-23 growing at a healthy rate of 6.3 percent after falling from 13.5 percent in Q1 of 2022-23.

In November 2022, the following key frequency indicators highlighted improved performances:

- Private consumption stood at 57.5% of the nominal GDP in FY 2021-22, indicating that it is becoming a macro growth driver.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation stood at 6.77% YoY in October 2022.
- PMI Services remained comfortably in the expansionary zone at 56.7 during April-September 2022
- Fuel consumption in June 2022 stood at 18,269 (thousand MT) as compared to 18,200 (thousand MT) in April 2022
- In September 2022, the Index of Industrial (Production IIP) stood at 133.5.
- In FY23 (until September 2022), the combined index of eight core industries stood at 142.8 driven by the production of coal, refinery products, fertilizers, steel, electricity and cement industries.
- Traffic handled at major ports stood at 446,503 thousand tonnes in April-October 2022.
- Railway freight traffic growth stood at 118.94 MT in October 2022.
- In March 2022, freight movement increased by 0.3% compared to the previous year, indicating that the increase in air freight and traffic activity has been maintained.
- 78.1 million e-way bills were raised during March 2022, which is 13% higher compared to February 2022.
- In April 2022, the government approved the participation of 61 companies in the PLI scheme for textiles, with a proposed total investment of Rs. 19,077 crore (US\$ 2.46 billion) and an expected turnover of Rs. 1.84 lakh crore (US\$ 23.74 billion), leading to employment generation for about 2.4 lakh people.
- Merchandise exports in October 2022 stood at US\$ 29.78 billion.
- In FY 2022-23, (until November 28, 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 28,497 crore (US\$ 3.49 billion).
- In the second half of February through March 2022 (up to March 13), daily liquidity absorptions under the liquidity adjustment facility (LAF) averaged Rs. 8.4 lakh crore (US\$ 111.27 billion), up from RS. 7.4 lakh crore (US\$ 98.02 billion) in the second fortnight of January to mid-February 2022.

- As of April 22, 2022, reserve money stood at Rs. 4,002,311 crore (US\$ 523.6 billion).
- In FY 2021-22, India received a total of US\$ 58.77 billion in foreign direct investment.
- As of November 18, 2022, India's foreign exchange reserves stood at US\$ 547,252 million.
- According to RBI:
- Bank credit stood at Rs. 126.30 trillion (US\$ 1.55 trillion) as of September 23, 2022.
- Credit to non-food industries stood at Rs. 126.08 trillion (US\$ 1.54 trillion) as of September 23, 2022.

India is well-positioned to develop at a relatively brisk pace in the future due to the priority given to macroeconomic stability in a world where monetary tightening has diminished growth prospects. Second, capital formation suffered as the private sector, both financial and non-financial, worked to rebuild balance sheets. As a result of the loan boom witnessed in the first decade and beyond, the financial system stress of the second decade of the millennium is now behind us. The financial and non-financial balance sheets of the private sector remain sound, and there are early indications of a new cycle of capital formation in the personal sector. The retail, industrial, and services sectors have seen an increase in credit disbursement as a result of a banking system with adequate capital. The service sector will continue to grow as a result of the unmet demand in the sector and India's positive economic outlook. In the third quarter of FY 2022–23, service sector companies are optimistic about demand conditions, sales turnover, their hiring plans, and the general business environment.

Electricity consumption, manufacturing PMI, exports, power supply and other high-frequency indicators indicate that the pace of economic activity has fully recovered from the COVID-19 pandemic shock. Economic growth is anticipated to be fueled by the effective implementation of PLI schemes development of renewable energy sources while diversifying import dependence on crude oil and bolstering the banking sector. The recovery in the services sector is still going strong while manufacturing strength remains stable. There appears to be a strong desire for private sector investments. The stress tests conducted by the central bank show that banks are quite financially sound and ready to lend. Monthly GST receipts are strong, confirming the economic activity's vigor. The successful launch of the Production Linked Incentive Scheme, developing renewable energy sources while diversifying import dependence on crude oil and strengthening the financial sector is expected to drive economic growth. Industrial metal prices have dropped to their lowest level in sixteen months, and other food-related commodities have seen a decline in price from their peaks as well. With the economic scenario improving on recovering from the COVID-19 pandemic shock, the Indian economy has remained resilient and provides a positive growth potential ahead.

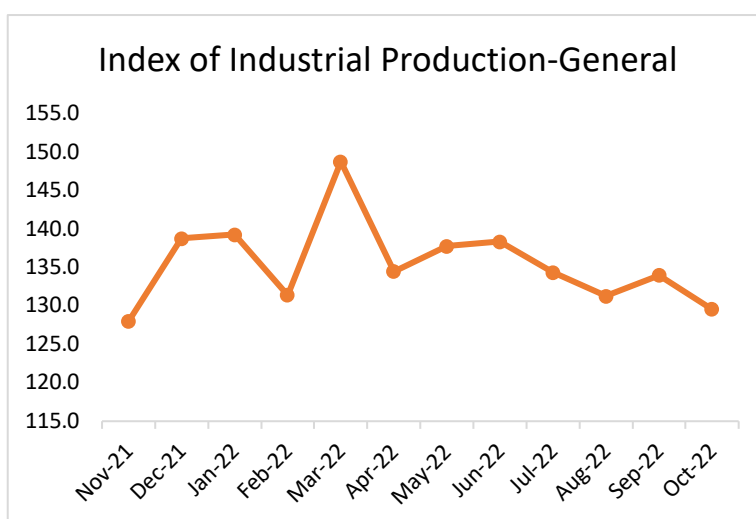
Between April 2000 – June 2022, cumulative FDI equity inflows to India stood at US\$ 604,996 million. The central government finances registered improved performances. In the review period, the corporation tax recorded 91.6% YoY growth. Between April 2021 and October 2021, custom revenue collection registered 122.3% YoY growth, and the IGST collection to the Centre increased by 40% YoY, primarily due to the recovery of economic activities. Net collections of direct taxes in FY 2021-22 (until March 16, 2022) stood at Rs. 13.63 trillion (US\$ 175.83 billion) compared to Rs. 9.18 trillion (US\$ 118.42 billion) in FY 2020-21.

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

Industrial Growth

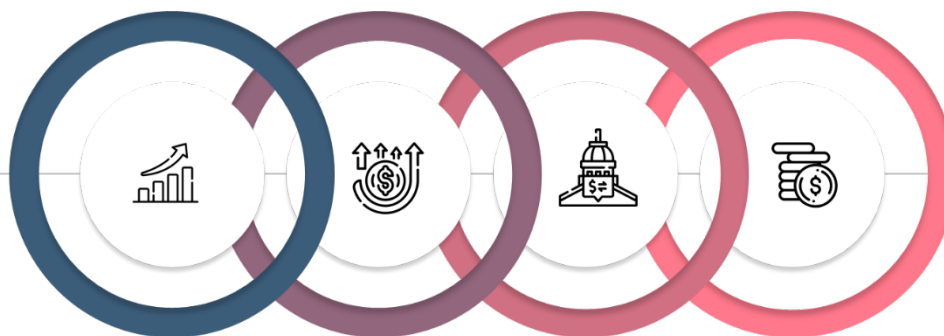
Industrial Output, as measured by the Index of Industrial Production (IIP), slumped to a 26-month low of (-4) percent in October on the back of contraction in manufacturing and consumer goods, data released by the National Statistical Office (NSO)- indicating weak exports and sluggish consumption demand, alongside the continuing weakness of small and medium enterprises.

Source: MOSPI



https://www.mospi.gov.in/documents/213904//1083409//1665737502540_IIP%20Aug'22%20Press%20Release1665576051234.pdf//1d82c2f1-e695-9c6e-f763-a2b5c6778f9e

Economic Challenges and Policy Priorities



Growth
Implement reforms and privatization, support education and employment, liberalize investment

Inflation
Manage inflation pressures while supporting the recovery

Fiscal
Support the recovery while communicating plans for future fiscal consolidation

Financial
Allow bankruptcies of non-viable firms, build capital buffers, recognize problem loans

Road Ahead

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

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

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

Agriculture and Allied Industries

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for about 58% of India's population. India has the world's largest cattle herd (buffaloes); largest area planted to wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. Agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. Thus, farmers become an integral part of the sector to provide us with means of sustenance.

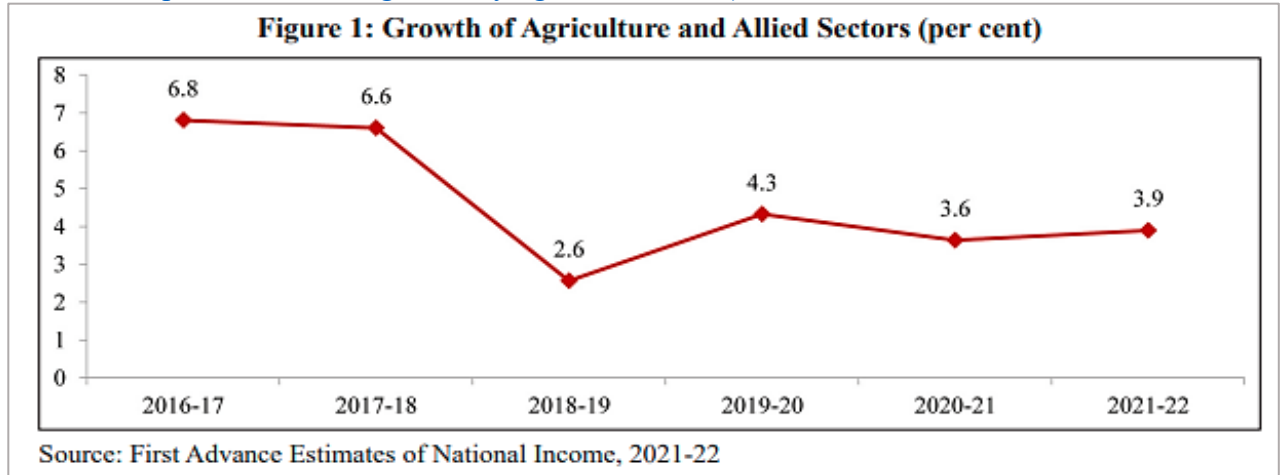
The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food processing industry accounts for 32% of the country's total food market, one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

According to Inc42, the Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. Indian food and grocery market is the world's sixth largest, with retail contributing 70% of the sales. As per First Advance Estimates for FY 2022-23 (Kharif only), total foodgrain production in the country is estimated at 149.92 million tonnes. Rapid population expansion in India is the main factor driving the industry. The rising income levels in rural and urban areas, which have contributed to an increase in the demand for agricultural products across the nation, provide additional support for this. In accordance with this, the market is being stimulated by the growing adoption of cutting-edge techniques including block

chain, artificial intelligence (AI), geographic information systems (GIS), drones, and remote sensing technologies, as well as the release of various e-farming applications.

Agriculture and allied activities recorded a growth rate of 3.9% in FY 2021-22 (until 31 January, 2022). Gross Value Added by the agriculture and allied sector is 18.8% in FY2021-22 (until 31 January, 2022). As per the Budget 2022-23, Rs. 1.24 Lakh Crore (US\$ 15.9 billion) has been allocated to Department of Agriculture, Cooperation and Farmers' Welfare. Between April 2020-February 2021 and April 2021-February 2022, agricultural & processed food product exports stood at US\$ 22.07 billion. Between April 2000-March 2022, FDI in agriculture services stood at US\$ 2.55 billion. In the Rabi marketing season 2021-22, the government purchased a record 43.33 MT of wheat. As of October 27, 2021, the total Rabi area stood at 0.53 Lakh hectares.

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



Source: <https://www.indiabudget.gov.in/economicsurvey/doc/eschapter/echap07.pdf>

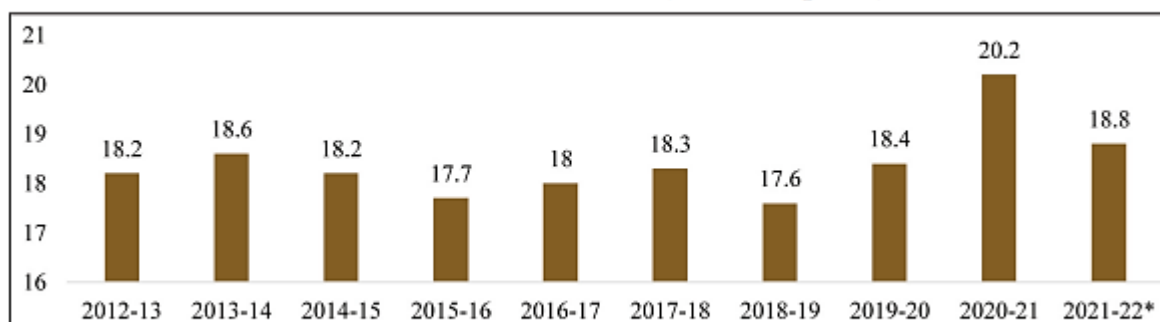
Growth Drivers of Indian Agriculture

- 1) Demand-side drivers
 - a) Population and income growth
 - b) Increasing exports
 - c) Favourable demographics
- 2) Supply-side drivers
 - a) Hybrid and genetically modified seeds
 - b) Favourable climate for agriculture and wide variety of crops
 - c) Mechanisation
 - d) Irrigational facilities
 - e) Green revolution in Eastern India
- 3) Policy support
 - a) Growing institutional credit
 - b) Increasing MSP
 - c) Introduction of new schemes like Paramparagat Krishi Vikas Yojana, Pradhanmantri Gram Sinchai Yojana, and Sansad Adarsh Gram Yojana
 - d) Opening exports of wheat and rice
 - e) Approval of National Mission on Food Processing

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

Gross Value Added (GVA) In Agriculture

Figure 3: Percentage Share of GVA of Agriculture & Allied Sector to Total GVA (at current prices)



Source: Based on data of DAFW.

*As per 1st Advance Estimates of National Income, 2021-22.

The share of the sector in total GVA of the economy has a long-term trend of around 18 per cent. The share of the agriculture & allied sector in total GVA, however, improved to 20.2 per cent in the year 2020-21 and 18.8 per cent in 2021-22.

Source: <https://www.indiabudget.gov.in/economicsurvey/doc/eschapter/echap07.pdf>

Government Initiatives

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

- 1) In the Union Budget 2022-23:
 - o Rs. 1.24 Lakh Crore (US\$ 15.9 billion) has been allocated to Department of Agriculture, Cooperation and Farmers' Welfare.
 - o Rs. 8,514 Crore (US\$ 1.1 billion) has been allocated to the Department of Agricultural Research and Education.
- 2) The Indian government is planning to launch Kisan Drones for crop assessment, digitization of land records, spraying of insecticides and nutrients.
- 3) Ministry of Civil Aviation launched the Krishi UDAN 2.0 scheme in October 2021. The scheme proposes assistance and incentive for movement of agri-produce by air transport. The Krishi DAN 2.0 will be implemented at 53 airports across the country, largely focusing on Northeast and tribal regions, and is expected to benefit farmers, freight forwarders and airlines.
- 4) Government plans to triple the capacity of food processing sector in India from the current 10% of agriculture produce and has also committed Rs. 6,000 Crore (US\$ 936.38 billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA)
- 5) Prime Minister of India launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan) and transferred Rs. 2,021 Crore (US\$ 284.48 million) to bank accounts of more than 10 million beneficiaries on February 24, 2019. As per the Union Budget 2021-22, Rs. 65,000 Crore (US\$ 8.9 billion) was allocated to Pradhan Mantri Kisan Samman Nidhi (PM-Kisan).
- 6) The Indian government has initiated Digital Agriculture Mission for 2021-25 for agriculture projects based on new technologies such as artificial intelligence, block chain, remote sensing and GIS technology, drones, robots and others.
- 7) The Government of India has allowed 100% FDI in marketing of food products and in food product E-commerce under the automatic route.

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

Wheat

Wheat cultivation in India has traditionally been dominated by the northern region of India. The northern states of Punjab and Haryana Plains in India have been prolific wheat producers. While this cereal grass has been studied carefully in the past, recent years of painstaking research by India's finest scientific talent have paid off with the development of distinctly superior varieties of Durum Wheat. *The main varieties of wheat grown in India are as follows VL-832, VL-804, HS-365, HS-240, HD2687, WH-147, WH-542, PBW-343, WH-896(d), PDW-233(d), UP-2338, PBW-502, Shresth (HD 2687), Aditya (HD 2781), HW-2044, HW-1085, NP-200(di), HW-741. Major wheat-growing states in India are Uttar Pradesh, Punjab, Haryana, Madhya Pradesh, Rajasthan, Bihar and Gujarat.*

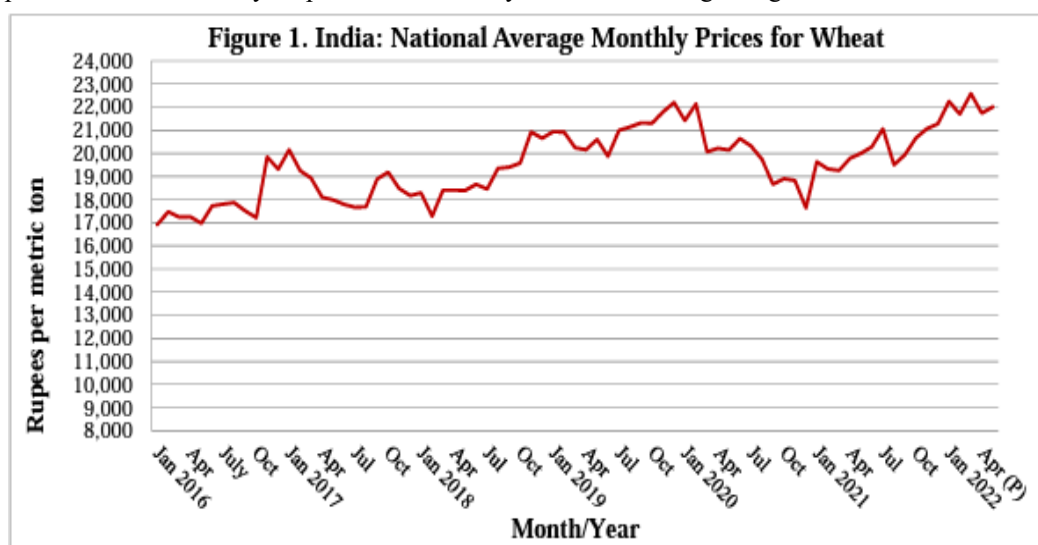
Source: https://apeda.gov.in/apedawebsite/SubHead_Products/Wheat.htm

Wheat Market Year Begins	2020/2021		2021/2022		2022/2023	
	Apr 2020		Apr 2021		Apr 2022	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	31357	31357	31125	31125	0	30950
Beginning Stocks (1000 MT)	24700	24700	27800	27800	0	21000
Production (1000 MT)	107860	107860	109590	109590	0	110000
MY Imports (1000 MT)	18	26	25	25	0	25
TY Imports (1000 MT)	18	30	25	25	0	25
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	132578	132586	137415	137415	0	131025
MY Exports (1000 MT)	2561	2561	8500	8500	0	10000
TY Exports (1000 MT)	3597	3597	10000	10000	0	9000
Feed and Residual (1000 MT)	6500	6500	7000	7000	0	7000
FSI Consumption (1000 MT)	95717	95725	96500	100915	0	100000
Total Consumption (1000 MT)	102217	102225	103500	107915	0	107000
Ending Stocks (1000 MT)	27800	27800	25415	21000	0	14025
Total Distribution (1000 MT)	132578	132586	137415	137415	0	131025
Yield (MT/HA)	3.4397	3.4397	3.521	3.521	0	3.5541

Notes: MY = Marketing Year, begins with the month listed at the top of each column.
TY = Trade Year, begins in July for all countries; TY 2022/2023 = July 2022-June 2023.

Source: <https://www.fas.usda.gov/data/india-grain-and-feed-update-30>

With the lower than initially expected harvest, now coupled with strong export demand resulting from ongoing global market developments (including production and distribution disruptions in the Black Sea region), domestic market prices have increased by 10 percent above last year's from the beginning of MY 22/23.

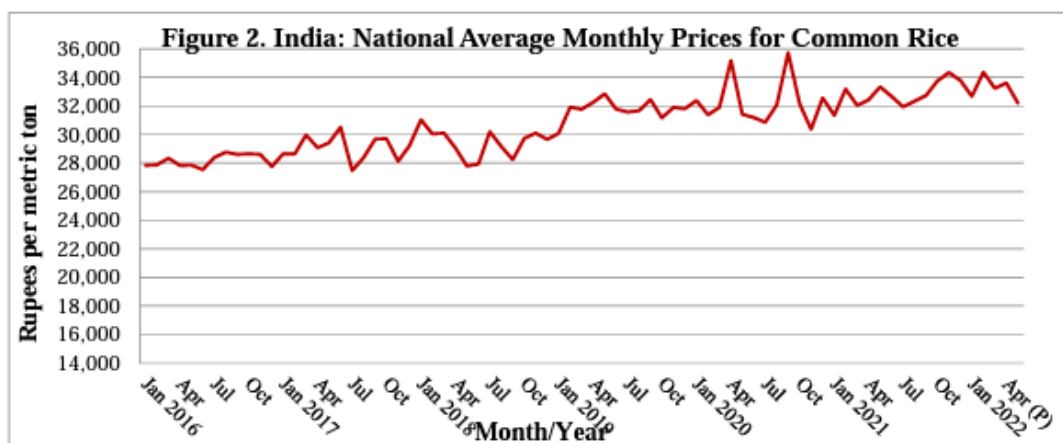


Source: [AgMarketNet](https://www.fas.usda.gov/data/india-grain-and-feed-update-30), Ministry of Agriculture and Farmers Welfare, FAS New Delhi office research.

Rice

Post's MY 21/22 (October-September) rice production estimate is raised to 129.5 MMT based on the estimated higher fall harvested production from the official third advance estimate. Increased government procurement and market prices support the higher official rice production estimates. India's MY 21/22 government rice MSP procurement through May 19, 2022, is estimated at 53.2 MMT compared to 50.9 MMT in May 2021. Higher procurement numbers are coming out of the central/peninsular states of Chhattisgarh, Madhya Pradesh, Telangana, and Tamil Nadu. With additional procurement of summer planted rice likely to continue in the eastern and southern states, government rice procurement in MY 21/22 is likely to reach 62 MMT, about 2 MMT higher from last year's record 60.1 MMT.

Record production, government procurement and rice off take under food security programs are keeping domestic market prices stable during MY 21/22. Average spot prices for common grade coarse rice in May 2022 ranged from INR 25,380/MT (\$334) to INR 29,370/MT (\$386) in the major production states. Prices will remain steady this season on an expected good kharif rice harvest and higher off take of subsidized government rice. However, international price movements and performance of the 2022 monsoon, and MY 22/23 plantings may affect prices in the last quarter of MY 21/22.



Source: [AgMarketNet](https://www.agmarketnet.in/), Ministry of Agriculture and Farmers Welfare, FAS New Delhi office research.

India's MY 21/22 consumption estimate is raised to 109.5 MMT on higher use of government rice in May-September 2022 under the PMGKY and other food security programs (~6 MMT per month). Average monthly off take of rice under food security programs in the first half of MY 21/22 is 4.65 MMT/month. Increased allocations of rice will drive MY 21/22 consumption to 109.5 MMT. The MY 22/23 consumption forecast stays unchanged at 107 MMT.

Source: <https://www.fas.usda.gov/data/india-grain-and-feed-update->

Onions

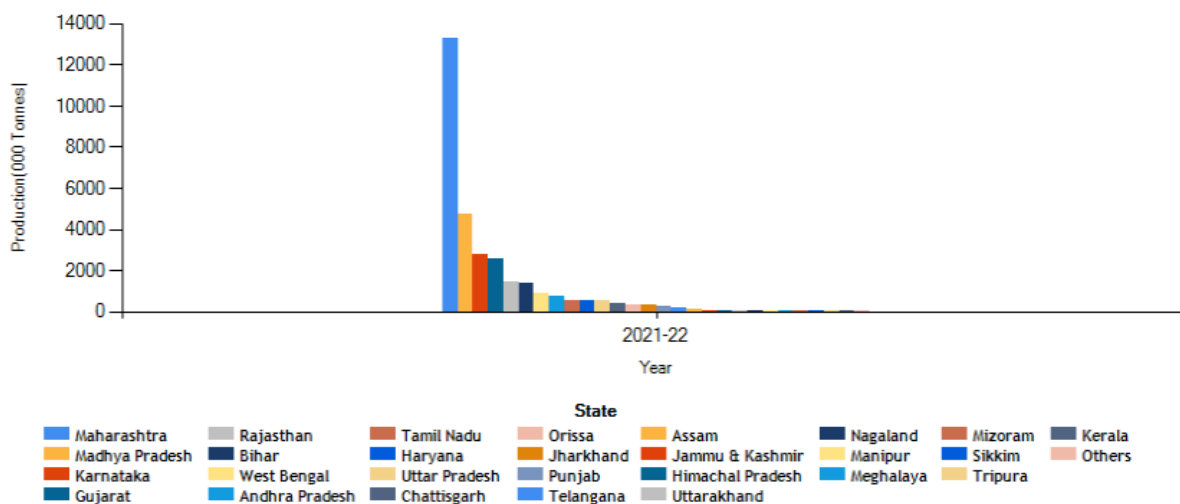
India is the second-largest onion-growing country in the world. The Major Onion producing states are Maharashtra, Karnataka, Madhya Pradesh, Gujarat, Bihar, Andhra Pradesh, Rajasthan, Haryana and Telangana. Maharashtra ranks first in Onion production with a share of 39% followed by Madhya Pradesh with a share of 17% in 2020-21.

There is a lot of demand for Indian Onion in the world, the country has exported 1,537,496.89 MT of fresh onion to the world for the worth Rs. 3,432.14 crores/ 460.52 USD Millions during the year 2021-22.

Modern pack houses for sorting, grading and packing the quality onions are available at production zones. Guidelines have been framed to determine the compliance with maximum residue levels (MRLs) for the identified pesticides. Grade designation and quality development parameters have been set up.

Source: https://apeda.gov.in/apedawebsite/SubHead_Products/Onions.htm

Indian Production of Onion FY 21-22



Source: National Horticulture Board (NHB)

Castor Seeds

State-wise Area, Production and Yield of Castor Seeds in India

District	Estimated Area * Under Crop ('000 ha.)			Estimated Production * ('000 tonnes)			Estimated Yield * (Kg / ha.)		
	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20	2021-22	2020-21	2019-20
Gujarat	652	638	741	1547	1494	1659	2371	2342	2239
Rajasthan	120	126	154	203	224	245	1690	1780	1591
A.P. & Telangana	23	38	57	35	56	33	1500	1454	579
Other State #	16	24	21	10	15	24	650	630	600
Total	811	826	973	1795	1789	1962	2228	2166	2016

* SEA Estimates; # other states Maharashtra, Karnataka, Tamil Nadu, Orissa

Source: <https://seaofindia.com/category/statistical-update/export-of-castor-oil-castor-seed-area-production-and-yield/>

Pulses

Pulses are one of the important food crops globally due to their higher protein content. Pulses are an important group of crops in India, which is also responsible for yielding large financial gains by amounting for a large part of the exports. Pulses are the major sources of protein in the diet. Of all categories of people, pulses form an integral part of the Indian diet, providing much-needed protein to the carbohydrate-rich diet. India is the largest producer of pulses in the world. Pulses are 20 to 25 percent protein by weight which is double the protein content of wheat and three times that of rice.

Varieties:

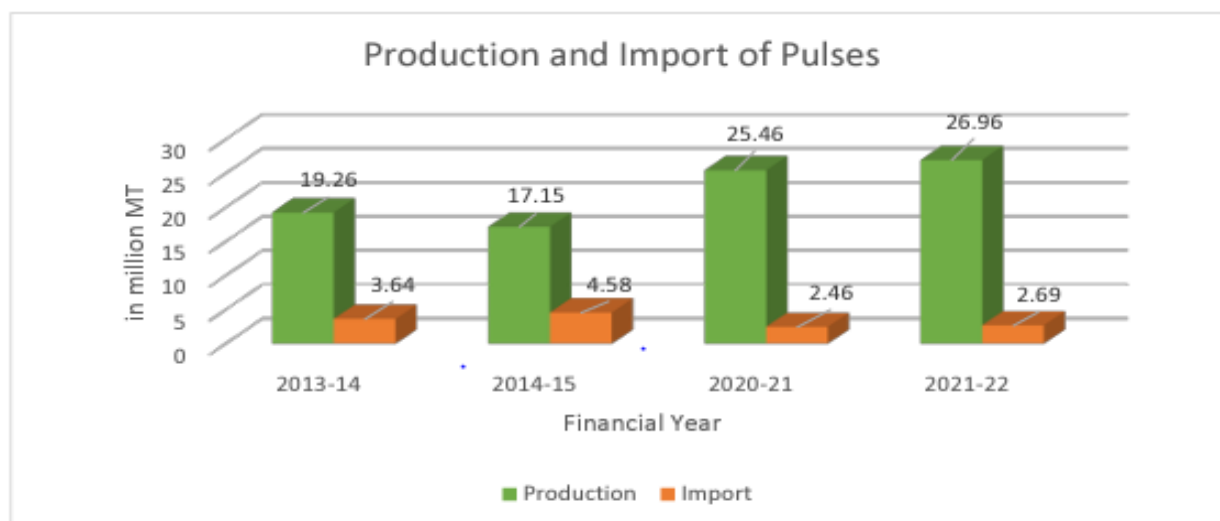
Major pulses which are grown in India are chickpeas (gram), pigeon pea (tur or arhar), moong beans, urd (black matpe), masur (lentil), peas and various kinds of beans.

Areas of Cultivation:

The main regions with high productivity are Punjab, Haryana, Western Uttar Pradesh, West Bengal delta region, coastal Andhra Pradesh, Tamil Nadu, Kerala, coastal and eastern Karnataka and some parts of Maharashtra.

Production and Import of Pulses:

India is inching towards 'Aatmanirbharta' through sustained efforts by the Government. India is the leading producer, consumer, and importer of Pulses in the world. In recent years, the Government has initiated a number of measures for boosting pulses production in the country with the aim of reducing the dependence on imports.



Import data for 2021-22 is of April-March

Source of Production data: [2nd Advance Estimates of production of food grains for 2021-22](#)

Source of Import data: [DGCIS](#)

As a result, the pulses production is steadily growing. The production which was in the range of around 16-19 Million Metric Tonnes (MMT) during 2010 to 2016 has increased remarkably to 25-27 MMT during the last two years. The pulses production which was 18.24 MMT during 2010-11 rose to the record level of 26.96 MMT during 2021-22, an

increase of about 48 percent. The increase in production of pulses is supplemented by declining imports during the last few years. During 2010 to 2015, the pulse import was in the range of 2-5 MMT valuing Rs. 750017,000 Crore per annum. The imports reached a peak at 6.66 MMT valuing Rs. 28,750 crores in 2016-17. During the last five years, an overall declining trend in the import of pulses has been witnessed. The volume of imports fell to the lowest level of around 2.46 MMT in 2020-21, which is the lowest in the last ten years. During 2021-22 (April-March) also, import is well within 2.7 MMT.

Source: <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2022/jun/doc202261565201.pdf>

Fresh Vegetables

India grows the largest number of vegetables from temperate to humid tropics and from sea level to the snowline. Major vegetables grown in India are Potato, Onion, Tomato, Cauliflower, Cabbage, Beans, Egg Plants, Cucumber and Garkin, Frozen Peas, Garlic and Okra. The major areas producing Fresh Vegetables are West Bengal, Uttar Pradesh, Bihar, Andhra Pradesh, Madhya Pradesh, Gujarat, Orissa, Tamil Nadu, Maharashtra, Karnataka, Haryana, Chhattisgarh and Jharkhand. The area under cultivation of Vegetable products was 10859 Thousand Ha with a production of 200.45 million tonnes in the year 2020-21. India is also a prominent exporter of Fresh Vegetables in the world. The country has exported 770,233.19 MT of Fresh Vegetables other than Onion to the world for the worth of Rs. 2,160.72 crores/ 290.09 USD Millions during the year 2021-22. Nepal, United Arab EMTs, U.K, Bangladesh, Qatar and Oman are the major export destination for 2021-2022.

Source: https://apeda.gov.in/apedawebsite/SubHead_Products/Other_Fresh_Vegetables.htm

Fresh Fruits

Mango: The major mango-growing states are Andhra Pradesh, Uttar Pradesh, Karnataka, Bihar, Gujarat and Telangana. Uttar Pradesh ranks first in mango production with a share of 23.58 % and the highest productivity in 2021-22. India is also a prominent exporter of fresh mangoes to the world. The country has exported 27,872.78 MT of fresh mangoes to the world for the worth of Rs. 327.45 crores/ 44.05 USD Millions during the year 2021-22. United Arab EMTs, the U.K., Qatar, Oman and Kuwait are the major export destination for 2021-2022.

Source: https://apeda.gov.in/apedawebsite/SubHead_Products/Mango.htm

Grapes: Major grape-growing states are Maharashtra, Karnataka, Tamil Nadu, and Mizoram. Maharashtra ranks first in terms of production accounting for more than 71 % of total production and the highest productivity in the country 2020-21. Karnataka is the second largest producer of Grapes with a share of 24% in 2020-21. Grape is one of the important fruit covering an area of 155.30 thousand hectares occupying 2.24 % of the total area in 2020-21. The country is also a major exporter of fresh Grapes to the world. The country has exported 263,075.67 MT of Grapes to the world for the worth of Rs. 2,302.16 crores/ 305.66 USD Millions during the year 2021-22. Netherland, Bangladesh, Russia, the U.K., United Arab EMTs and Germany are the major export destination for 2021-2022.

Source: https://apeda.gov.in/apedawebsite/SubHead_Products/Grapes.htm

Other Fresh Fruits: India is the largest producer of Fruits in the world and is known as the fruit basket of the world. The major fruits grown in India are Mangos, Grapes, Apples, Apricots, Oranges, Fresh Banana, Avocados, Guava, Litchi, Papaya, Sapota and Water Melons. The major production areas in the country are Maharashtra, Andhra Pradesh, Tamil Nadu, Gujarat, Karnataka, Uttar Pradesh, Bihar, Madhya Pradesh, West Bengal, Kerala, Jammu & Kashmir, Odisha and Assam. India is also a major exporter of fruits to the world. The country has exported 761,031.20 MT of fresh fruits other than Grapes and Mango to the world for the worth of Rs. 2,900.73 crores/ 388.42 USD Millions during the year 2021-22. Bangladesh United Arab EMTs, Iran, Nepal, Oman and Qatar are the major export destination for 2021-2022.

Source: https://apeda.gov.in/apedawebsite/SubHead_Products/Other_Fresh_Fruits.htm

Road Ahead

India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investment in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to concerted effort of scientists to get early maturing varieties of pulses and the increase in minimum support price. In the next five years, the central government will aim US\$ 9 billion in investments in the fisheries sector under PM Matsya Sampada Yojana. The government is targeting to raise fish production to 220 Lakh tonnes by 2024-25. Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits. The agri export from India is likely to reach the target of US\$ 60 billion by the year 2022.

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

OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in the section titled “Risk Factors”, beginning on page 18 of this Draft Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “Risk Factors” and the chapters titled “Restated Financial Information” and “Management Discussion and Analysis of Financial Position and Results of Operations” beginning on pages 18, 118 and 138 respectively of this Draft Prospectus.

Unless the context otherwise requires, in relation to business operations, in this section of this Draft Prospectus, all references to “we”, “us”, “our” and “our Company” are to “City Crops Agro Limited”.

OVERVIEW

Our Company was originally incorporated as “Bhagya Agro-Care Private Limited” on April 02, 2013 under the Companies Act, 1956 with a Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Thereafter a fresh certificate of incorporation consequent upon change of name from “Bhagya Agro-Care Private Limited” to “City Crops Agro Private Limited” was issued by the Registrar of Companies, Ahmedabad on December 06, 2021. Subsequently, our Company was converted into a Public Limited Company and a fresh certificate of incorporation consequent upon conversion of the Company to a public limited company in the name of the “City Crops Agro Limited” was granted by the Registrar of Companies, Ahmedabad on December 27, 2021.

The Corporate Identification Number of our Company is U51200GJ2013PLC074296.

Our Company is engaged in the business of trading of products like seeds, agricultural produces mainly Rice, Wheat, Onions, Potato, Tomato, Isabgol, and Pulses. We have an integrated online platform which includes products such as cereals, oil seeds, pulses, and vegetables. The company is also engaged in contract manufacturing for agricultural produce such as Cucumber, Onion and Castor.

Our company sources the agricultural products from the manufacturers by paying an advance payment with our labeling and then these products are sold to our network of distributors. Owing to our presence in the market for decades, we have built strong relationships with both the farmers as well as with the wholesaler/retailers’ community.

In contract manufacturing, our company leases an agricultural land on lease and cultivate Cucumber, Onion and Castor for meeting the demand in the market. This gives the company control over the entire process and getting the agricultural produces at better rates as compared to the market. A part of the yield is shared with the farmers working on contractual basis on the leased land, which further helps the local farmers’ community. Our company currently has around 47.31 acres of land for agricultural production.

Our Promoters have been instrumental in the growth of the business and actively advised on corporate strategy and planning. With a collective experience of over a decade in the agricultural industry, our promoters with their vast experience have handled various areas of business including strategic planning and implementation, procurement, storage, marketing and has led institutions across business development, strategy as well as operations over the period of years.

The Management performed well under the able leadership of Maulikaben Ashokkumar Shah. The Company then planned to expand its network of distributors, and thus inducted Kaupilkumar Hasmukhbhai Shah and Shitalben Kaupilkumar Shah, immediately after the Covid -19 in December 2020. In January 2021, Maulikaben Anantkumar Shah and Jigar Ashok Hebra resigned from the Board.

FINANCIAL HIGHLIGHTS

The following are our company's financial highlights according to our restated consolidated financial statement:

(INR In lacs)

Particulars	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Revenue from Operations	961.31	1774.88	348.90	0.0
Net Profit after Tax	61.31	48.41	4.32	(0.02)
Net Worth	1138.49	1077.14	5.08	0.77
EBITDA	63.78	55.45	4.17	(0.02)

OUR PROCESS



OUR CUSTOMERS:

Our Top 10 Customers contribute to the majority of our sales constituting to about 99.16% in H1 FY23, which saw an increase from the FY22 figures which stood at 92.05%. Our company sourced the entire agricultural produces from top 5 suppliers in H1 FY23 as compared to 79.53% being sourced in FY22.

The following is the breakup of the top five and top ten customers/suppliers of our Company for the Financial Years H1 2023, 2022, 2021 and 2020:

Particulars	H1 FY23 (In %)	FY22 (In %)	FY21 (In %)	FY20 (In %)
Top 5 Customers	74.27	71.46	95.75	0
Top 10 Customers	99.16	92.05	100.00	0
Top 5 Suppliers	100.00	79.53	100.00	0
Top 10 Suppliers	100.00	95.00	100.00	0

OUR COMPETITIVE STRENGTHS:

- 1. Organizational stability along with management expertise:** The Company's ability to endure economic and business cycles is demonstrated by our group's established track record of more than 9 years, and qualified promoters have more than 10 years of relevant expertise. This indicates our ability to maintain business viability and steer the business through operational hurdles. Our promoters are the guiding force behind the operational and financial decision of our company. Our promoters are responsible for the entire business operations of the company along with an experienced team of professionals who assist them.
- 2. Smooth flow of operations:** We have maintained good relationship with our major customers. We are successful in building a strong client base for our business. Our existing relationships help us to get repeat business from our customers. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

3. **Well-defined organizational structure:** The Company has a qualified and experienced management that has decision making powers. It is expected to benefit from the management's ability to ensure smooth flow of operations. Our Company is managed by a team of competent personnel having knowledge of core aspects of our Business. We have an experienced management team having vast experience in the industry. We believe that our senior management has pioneered our growth and fostered a culture of innovation, entrepreneurship and teamwork within our organization. We believe that a motivated and empowered employee base is key to our competitive advantage. Our personnel policies are aimed towards recruiting talented employees and facilitating their integration into our organization and encouraging the development of their skills and expertise. We believe that our experience, knowledge and human resources will enable us to drive the business in a successful and profitable manner. We are dedicated to the development of expertise and know-how of our employees and continue to invest in them through training and skills.
4. **Existing Supplier Relationship:** Our existing supplier relationship protects the business with terms of supply and pricing of the products, the quality of the products offered etc. We, being a small and medium size organization, rely on personal relationship with our suppliers. Our company enjoys existing relationship with our suppliers. Further we also leverage the past experience of our management in maintaining effective supplier relationship.
5. **Wide range of Products:** We provide a broad range of products to our customers which increases the scope of our customers and our ability to cater to a diversified clientele base.

OUR BUSINESS STRATEGY:

1. **Quality Assurance:** We will continue to maintain quality of our existing services to cater to various customers in the market. We endeavor to maintain the quality of our service, and follow strict procedures to ensure timely delivery and competitive prices. The company intends to strengthen its product development effort by leveraging skills of its employees which will help to increase the sales of the Company and retain customers.
2. **Brand recognition:** Our brand "City Crops Agro" and its reputation are among our most important assets and we believe our brands serve in attracting customers to our product in preference over those of our competitors. We also believe that continuing to develop awareness of our brand, through focused and consistent branding and marketing initiatives, among retail consumers, is important for our ability to increase our sales volumes and our revenues, grow our existing market share and expand into new markets.
3. **Increase geographical presence:** Going forward we plan to establish our presence in the more geographical potential regions. Our emphasis is on expanding the scale of our operations as well as growing our supply chain network, which we believe will provide attractive opportunities to grow our client base and revenues.
4. **Leverage and enhance our brand name:** We believe that our brand commands a recall amongst the consumers in the areas where we operate due to its image and goodwill established over the years. We intend to leverage the brand equity that we enjoy. Also, we plan to leverage our existing brands, which have good recall with customers to introduce a wider range of services.
5. **Improving operational efficiencies:** In order to reduce costs and gain a competitive advantage over our peers, Our Company aims to improve operational efficiency. We will be addressing the increase in operational output through continuous process improvements, quality check and technology development. Our employees are regularly motivated to increase efficiency with error free exercise. We believe that this can be done through continuous process improvements. Further we believe that this can be done through domestic presence and economies of scale. We believe in strong in-house management to control the entire process. It controls costs by eliminating unnecessary intermediaries for procuring products in cost efficient manner.
6. **Leveraging our Market skills and Relationships:** This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customer base by meeting contracts in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.
7. **Increasing the customer reach:** In order to meet the needs of each consumer profile, we intend to segregate the market into business and influencer tiers.
8. **Innovative & Marketing Method:** Over and above the regular human reach we will be adopting innovative method through social media, groups, public meetings, meetings, seminars to address our potential customer base.

SWOT ANALYSIS

<p>Strengths</p> <ul style="list-style-type: none"> ○ Established operations and proven track record ○ Quality Assurance and Standards ○ Experienced Management Team ○ Satisfied customer with quality and service ○ Smooth flow of operations ○ Strong business model 	<p>Weakness</p> <ul style="list-style-type: none"> ○ Insufficient market reach ○ Heavy dependence on suppliers ○ High working capital requirement ○ Limited pricing power due to fragmentation in the industry
<p>Opportunities</p> <ul style="list-style-type: none"> ○ Potential to provide other value added services ○ Expanding new geographical area ○ Opportunities in Indian Market ○ Government thrust for infrastructure development will boost in rise in demand 	<p>Threats</p> <ul style="list-style-type: none"> ○ Increased Competition from Big Players ○ Change in Government Policies ○ Rising labor wages ○ Margins may be constrained in the future ○ There are no entry barriers in our industry which puts us to the threat of competition from new entrants

COMPETITION:

We operate in the highly competitive industry. There are no entry barriers in our industry which puts us to the threat of competition from new entrants. There are numerous players operating in the industry. We face tough competition in our business from a large number of unorganized and a few organized players. Our aim is to provide the branded, standardized and uniform quality products at competitive prices to our consumers. We compete with our competitors on a regional or product line basis. Many of our competitors have substantially large capital base and resources than we do and offer broader range products. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and price of the services and products. We believe that our ability to compete effectively is primarily dependent on ensuring consistent product quality and timely delivery at competitive prices, thereby strengthening our brand over the years. We believe that our cost effective and integrated offerings, our focus on customer satisfaction and our reliability combined with our quality consciousness provides us with competitive advantage in our business. We believe that our technical capabilities, experience in this business and quality assurance will be key to overcome competition posed by such organized and unorganized players.

SALES & MARKETING

Our company is having an Experienced & Customer Centric Business Development Team right from the Top Management till the on-field executive, whose main aim is to bring the business for the organization in a right full way.

The efficiency of the sales and marketing network is critical to success of our Company. Our success lies in the strength of our relationship with the clients who have been associated with our Company. Our team through their experience and good rapport with these clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company. To get repeat orders from our customers, our team having adequate experience and competencies, regularly interact with them and focus on gaining an insight into the additional needs of customers.

UTILITIES AND INFRASTRUCTURE FACILITIES:

Location:

Our Registered & Corporate Office is located at A-208, Titanium City Centre, Near Sachin Tower, 100 Ft Ring Road, Satellite, Ahmedabad, Gujarat – 380015, India

Water:

Our company has adequate water supply at our location which is sourced from the Municipal Corporation and local Nagar Palika.

Electricity:

The requirement of power for our operations is met through Torrent Power Limited.

HUMAN RESOURCES

Human resource is an asset to any industry. We believe that our employees are the key to the success of our business and hence we have a structured organization plan to take care of the growth and motivation aspects of our team. Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

As on the date of this Draft Prospectus, our Company has 08 (Eight) employees. The breakup of our manpower is as follows:

Department	Strength
Finance, Accounts	2
Human Resource & Personal Relation	1
Marketing & Sales	3
Legal & Secretarial	1
Administrative	1
TOTAL	8

COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

Our Company has not entered into any collaboration, or Performance guarantee or assistance for marketing with any Company.

EXPORT AND EXPORT OBLIGATIONS

As on date of this Draft Prospectus, our Company does not have any export obligations.

CAPACITY AND CAPACITY UTILIZATION

Our capacity depends on our workforce/orders in hand and not in any fixed output from plant & machinery and hence capacity and capacity utilization cannot be determined.


PLANT AND MACHINERY

Our Company does not own any Plant and Machinery.

INTELLECTUAL PROPERTY RIGHTS

We regard our intellectual property as one of the most important factors in contributing to our success, and our intellectual property rights include trademarks associated with our businesses and other rights arising from confidentiality agreements relating to our database and website content and technology.

Our Company conducts its operations under the “City Crops Agro” brand name. Our Company’s logo is not registered and we are in the process to register it under the Trade Mark Act.

Sr. No.	Lo go	Class	Tradem ark Type	Owner of Trademark	Applicatio n No.	Date of application	Status
1		31	Device	City Crops Agro Ltd.	5469378	31/05/2022	Objected

Class 31 - Agricultural not included in other classes, live animals, fresh fruits and vegetables that includes in class 31.

LAND & PROPERTY

The Company occupies the following immovable properties:

Details of Agreement	Address of property	Consideration	Tenure	Usage
Leave and License Agreement dated December 20, 2022 by Nutanben Shah - Licensee	A-208, Titanium City Centre, Near Sachin Tower, 100 Ft Ring Road, Satellite, Ahmedabad, Gujarat – 380015, India	Rs. 13,000/- per month	11 months commencing from August 01, 2022	Registered Office
Leave and License Agreement dated February 21, 2023 by Nikunj Shah - Licensee	CSN-55 Paiky 1, Ambala, Dasada, Surendranagar, Gujarat	Right of 10% of the total production of crops made in the financial year to the farmer	11 months and 29 days commencing from February 21, 2023	Agriculture
Leave and License Agreement dated February 21, 2023 by Manisha Shah - Licensee	CSN- 125, Bukoli, Kankrej, Banaskantha, Gujarat	Right of 10% of the total production of crops made in the financial year to the farmer	11 months and 29 days commencing from February 21, 2023	Agriculture

Leave and License Agreement dated March 07, 2023 by Pallavi Joshi - Licensee	CSN-482, Kantabi, Vaghodiya, Vadodara, Gujarat And CSN-1126, Jarod, Vaghodiya, Vadodara, Gujarat	Right of 10% of the total production of crops made in the financial year to the farmer	11 months and 29 days commencing from March 07, 2023	Agriculture
Leave and License Agreement dated March 07, 2023 by Nitin Shah - Licensee	CSN-402, Kashindra, Daskroi, Ahmedabad, Gujarat	Right of 10% of the total production of crops made in the financial year to the farmer	11 months and 29 days commencing from March 07, 2023	Agriculture
Leave and License Agreement dated March 07, 2023 by Pathik Thakkar - Licensee	CSN-489, Kanotar, Bavla, Ahmedabad, Gujarat	Right of 10% of the total production of crops made in the financial year to the farmer	11 months and 29 days commencing from March 07, 2023	Agriculture
Leave and License Agreement dated December 20, 2022 by Sureshchandra Shah - Licensee	CSN-55 Paiky 1, Ambala, Dasada, Surendranagar, Gujarat	Right of 10% of the total production of crops made in the financial year to the farmer	11 months and 29 days commencing from December 20, 2022	Agriculture

INSURANCE

Our Company does not have any Insurance Coverage except as under:

S. NO.	NAME OF POLICY	POLICY NUMBER AND LOCATION	INSURANCE COMPANY	COVERAGE TYPE	COVER AGE AMOUNT (IN RS.)	EXPIRY DATE
1	Office Package Insurance	OG-23-2202-4093-00000216 LOCATION A-208, Titanium City Centre, Near Sachin Tower,, 100 Ft. Ring Road, Satellite Ahmedabad - 380015	Bajaj Allianz General Insurance Company Ltd.	Fire and Allied Perils - Sookshma Udyam Suraksha (Building and Contents)(Earthquake and Terrorism cover included)	4,00,000	29-Dec-23
				Burglary (contents excluding Jewelry and valuables)	2,00,000	
				Personal Accident	5,00,000	

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.

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.

*In addition to what has been specified in this Draft Prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labor laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “**Government and Other Approvals**” beginning on page no. 151 of this Draft Prospectus.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Approvals” beginning on page number 151 of this Draft Prospectus.

Laws in relation to our business

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

The FSS Act was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (“FSSAI”), for laying down science-based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto. The FSS Act, among other things, also sets out requirements for licensing and registration of food businesses, general principles of food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by Food Safety Appellate Tribunal.

For enforcement, under the FSS Act the ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’ have been granted with detailed powers of seizure, sampling, taking extracts and analysis. Penalties are levied for various defaults such as for selling food not of the nature or substance or quality demanded, sub-standard food, misbranded food, misleading advertisement, food containing extraneous matter, for failure to comply with the directions of Food Safety officer, for unhygienic or unsanitary processing or manufacturing of food, for possessing adulterant. Apart from the penalties, there are punishments prescribed for selling, storing, distributing or importing unsafe food, for interfering with seized items, for providing false information, for obstructing or impersonating a Food Safety officer, for carrying out a business without a licence and for other subsequent offences.

The FSS Act also contains the provision for offences by the companies. Further, the Food Safety and Standards Rules, 2011 (“FSSR”) which have been operative since August 5, 2011, provide, among other things, the qualifications mandatory for the posts of the ‘commissioner of food safety’, ‘food safety officer’ and ‘food analyst’, and the procedure for taking extracts of documents, sampling and analysis.

In order to address certain specific aspects of the FSS act, the FSSAI has framed several regulations such as the following:

- a) *Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;*
- b) *Food Safety and Standards (Packaging and Labelling) Regulations, 2011;*
- c) *Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;*
- d) *Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;*

- e) *Food Safety and Standards (Contaminates, Toxins and Residues) Regulations, 2011;*
- f) *Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011; and*
- g) *Food Safety and Standards (Health Supplements, Nutraceuticals, Food for Special Dietary Usage; h) Food for Special Medical Purpose, Functional and Novel Food) Regulations, 2016.*

The FSS Act also covers under its ambit foods for special dietary uses or functional foods or nutraceuticals or health supplements which is defined to mean as dietary substances which can be used by human beings to supplement their diet by increasing their total dietary intake. It also lists out certain ingredients that cannot be found in such nutraceuticals or health supplements and lays down that to be categorized as nutraceuticals or health supplements, the substance should not be represented as a conventional food. To further regulate nutraceuticals, the Food Safety and Standards (Health Supplements, Nutraceuticals, Food for Special Dietary Usage, Food for Special Medical Purpose, Functional and Novel Food) Regulations, 2016 (the “Nutraceutical Regulations”) have been brought into force on January 1, 2018. The Nutraceutical Regulations lay down general requirements that need to be met by companies producing such kinds of food. The Nutraceutical Regulations specifically lays down that the quantity of nutrients added to the articles of food shall not exceed the recommended daily allowance as specified by the Indian Council of Medical Research. The Nutraceutical Regulations also lay down that the health claims in respect of an article of food shall be commensurate with the adequate level of documentation and valid proof made available for review by the Food Authority when called for. The Nutraceutical Regulations lays down the ways in which companies producing these kinds of food should label their packages and the kind of material that are prohibited from being used in their production. Import of foods, including Health Supplements and Nutraceuticals are subject to the FSS (Import) Regulations 2017. No person shall import any article of food without an import license from the Central Licensing Authority in accordance with the provisions of the Food Safety and Standards (Licensing and Registration of Food Business).

The FSSAI has also issued a special guidance note on Food for Special Medical Purposes (FSMP). As per this guidance note an FSMP is a food which is intended to provide nutritional support to persons who suffer from specific disease, disorder or medical condition. FSMP’s are to be used only under the guidance of medical advice and the same disclaimer should also be printed clearly on its package. The guidance note also provides a clear distinguish between the various categories of products covered under the Nutraceutical regulations.

Further, FSSAI has issued guidance note on ‘Food Hygiene and Safety Guidelines for Food Businesses during Coronavirus Disease (COVID-19) Pandemic’ (“Guidance Note”) with an intent to provide guidance to food businesses, including their personnel involved in handling of food and other employees to prevent spread of COVID-19 in the work environment and any incidental contamination of food/food packages. Additionally, it also provides guidance in relation to operative mechanism such as establishment of an in-house emergency response team in large food businesses to deal with suspected infections effectively. It mandates that employers should have a COVID-19 Screening Protocol in place to screen all personnel entering the premise. All the employees or visitors should be screened at entry point for the symptoms of COVID- 19 such as, among others, temperature (using non-contact type thermometer), cough and cold. The entrance shall mandatorily have measures installed for hand hygiene. Employees and food handlers should be encouraged to self-declare any symptoms of any respiratory illness before visiting the premises. To spread awareness and contain the spread of the disease, employers should employ and ensure compliance with numerous measures such as, among others, display of posters/standees/audio visuals on preventive measures for COVID-19, frequent usage of alcohol-based sanitisers, avoidance of close contact with symptomatic personnel, usage of face masks, and frequent cleaning and disinfection. Food businesses shall ensure that food handlers involved in food packaging should maintain a high level of personal hygiene and social distancing. All measures shall be adopted to ensure that food packaging is kept clean and away from sources of contamination. The Guidance Note mandates strict adherence to General Hygiene Practices specified under Schedule 4 of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulation, 2011 (“Schedule”). The Schedule enumerates multiple compulsory measures to be adopted by food business operators in the interest of human nutrition, safety and hygiene. The Schedule mandates that the premises shall be clean, adequately lighted and ventilated, and sufficient free space for movement shall be made available. In relation to packaging of the products, it requires that the confectionary products should be wrapped/packaged only after proper cooling. No vessel, container or other equipment, the use of which is likely to cause metallic contamination injurious to health shall be employed in the preparation, packing or storage of food. The finished products should be refrigerated with proper labels indicating date of expiry. In relation to personal hygiene –all employees should wash their hands properly and they should be made aware of measures to avoid cross-contamination. Further, among other things, eating, chewing, smoking, spitting and nose blowing shall be prohibited within the premises especially while handling food, and persons suffering from infectious diseases shall not be permitted to work. Any cuts or wounds shall remain covered at all time and the person should not be allowed to come in direct contact with food.

Standards of Weights and Measures Enforcement Act, 1985:

The Standards of Weights and Measures Enforcement Act, 1985 regulates the classes of weights and measures manufactured, sold, distributed, marketed, transferred, repaired or used and the classes of users of weights and measures. The Act was passed with a view to regulating and modernizing the standards used in India based on the metric system. The units of weight which are sought to be used in day to day trade are required to be periodically inspected and certified by the designated authorities under this act for their accuracy.

Bureau of Indian Standards Act, 2016 (the “BIS Act”):

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. It has broadened BIS's ambit and allows Central Government to make it mandatory for certain notified goods, articles, processes etc. to carry standard mark.

Prevention of Black Marketing and Maintenance of Supplies Act, 1980:

Prevention of Black Marketing and Maintenance of Supplies Act, 1980. It is an Act for detention in certain cases or the purpose of prevention of black marketing and maintenance of supplies of commodities essential to the community and for matters concerned therewith.

Prevention of Food Adulteration Act, 1954:

This Act is the basic statute that is intended to protect the common consumer against the supply of adulterated food. This specifies different standards for various food articles. The standards are in terms of minimum quality levels intended for ensuring safety in the consumption of these food items and for safeguarding against harmful impurities and adulteration. The Central Committee for Food Standards, under the Directorate General of Health Services, Ministry of Health and Family Welfare, is responsible for the operation of this Act. The provisions of the Act are mandatory and contravention of the rules can lead to both fines and imprisonment. Prevention of Food Adulteration Act applies to domestic and imported food commodities, encompassing food color and preservatives, pesticide residues, packaging, labeling and regulation of sales.

The Farmers Produce Trade and Commercial (Promotion and Facilitation) Act, 2020

The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020 allows intra-state and inter-state trade of farmers' produce beyond the physical premises of Agriculture Produce Marketing Committee (APMC) markets. State governments are prohibited from levying any market fee, cess or levy outside APMC areas.

Agricultural markets in India are mainly regulated by state APMC laws. APMCs were set up with the objective of ensuring fair trade between buyers and sellers for effective price discovery of farmers' produce. APMCs can: (i) regulate the trade of farmers' produce by providing licenses to buyers, commission agents, and private markets, (ii) levy market fees or any other charges on such trade, and (iii) provide necessary infrastructure within their markets to facilitate the trade.

It aims to provide for the creation of an ecosystem where the farmers and traders enjoy the freedom of choice relating to sale and purchase of farmers' produce which facilitates remunerative prices through competitive alternative trading channels; to promote efficient, transparent and barrier-free inter-State and intra-State trade and commerce of farmers' produce outside the physical premises of markets or deemed markets notified under various State agricultural produce market legislations; to provide a facilitative framework for electronic trading.

The Competition Act 2002 (the “Competition Act”)

The Competition Act is an act to prevent practices having an adverse effect on competition, to promote and sustain competition in markets, to protect the interests of consumers and to ensure freedom of trade in India. The act deals with the prohibition of (i) certain agreements such as anti-competitive agreements and (ii) abuse of dominant position and regulation of combinations. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Competition Act. The prima facie duty of the Competition Commission of India (“Commission”) is to eliminate practices having an adverse effect on competition, promote and sustain competition, protect the interests of consumers and ensure freedom of trade. The Commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General (as appointed under Section 16(1) of the Competition Act), he shall be punishable with a fine which may extend to ₹100,000 for each day during such failure subject to a maximum of ₹10,000,000, as the Commission may determine.

Seeds Act 1966 (“Seed Act”) and Seed Rules 1968 (“Seeds Rules”)

The overall policy with regard to seed quality maintenance is determined within the legislative framework of the Seeds Act. The term “seed”, as defined by the Seeds Act, refers to seeds of food crops including edible oil seeds and seeds of fruits and vegetables; cotton seeds; seeds of cattle fodder; and includes seedlings, and tubers, bulbs, rhizomes, roots, cuttings, all types of grafts and other vegetatively propagated material, of food crops or cattle fodder and jute seeds. The Seeds Act provides for the constitution of a Central Seeds Committee for the purposes of advising the Central and State Governments on matters arising out of the administration of the Seeds Act. The Seeds Act provides for notification of certain kinds or varieties of seeds for the purposes of regulating the quality of any kind or variety of seed to be sold for purposes of agriculture. The Seeds Act also provides for minimum limits of germination and purity with respect to any notified kind or variety of seed and the particulars which the mark or label should contain to indicate that such seed conforms to the minimum limits of germination

and purity. The Seeds Act prohibits any person, either by himself or by any other person on his behalf, from carrying on the business of selling, keeping for sale, offering for sale, bartering or otherwise supplying any seed of the notified kind or variety of seeds unless such seed is identifiable as to its kind or variety; conforms to the minimum limits of germination and purity as specified under the Seeds Act; the container of such seed bears the mark or label with the correct particulars; and he/she complies with such other requirements as may be prescribed. Similar restrictions are imposed by the Seeds Act with regards to the import and export of seed of any notified variety. Furthermore, any person selling, keeping for sale, offering for sale, bartering or otherwise supplying any seed of the notified kind or variety of seeds, may, apply for certification to the Central Seed Certification Board constituted under the Seeds Act. The Seeds Act also appoints a Seed Inspector for the purpose of effective regulation and inspection. However, vide Government Order dated February 24, 1983, the Central Government declared seeds of food crops and seeds of fruits and vegetables seeds, seeds of cattle fodder and jute seeds to be essential commodities for the purposes of the Essential Commodities Act, 1955. Further, vide notification dated November 6, 1994, the Central Government in consultation with the Central Seed Committee, specified the size, contents, colour, label or mark to be affixed on the containers of seeds. On the basis of the aforesaid orders, the Seeds Inspector appointed under the Seeds Act is exercising powers to ensure compliance with the provisions of Seeds Act for seeds of a notified variety as well as those being not of a notified kind or variety including truthfully labeled seeds.

The Seeds Rules, 1968

The Seeds Rules provides for the implementation of the provisions of the Seeds Act. The Seeds Rules defines the term “certified seed” as a seed that fulfills all requirements for certification provided by the Seeds Act and the Seeds Rules and to the container of which the certification tag is attached. Also, the term “certified seed producer” has been defined as a person who grows or distributes certified seed in accordance with the procedure and standards of the certification agency. The Seeds Rules prescribes that no person shall sell, keep for sale, offer to sell, barter or otherwise supply any seed of any notified kind or variety, after the date recorded on the container, mark or label. This record date shall be the date upto which, the seed may be expected to retain the germination, which shall not be less than the minimum limits of germination, and purity as prescribed under the Seeds Act. Further, no person shall alter, obliterate or deface any mark or label attached to the container of any seed and shall keep a complete record of each lots of seed sold for a period of three years. The term “processing”, has been defined by the Seeds Rules as cleaning, drying, treating, grading and other operations which would change the purity and germination of the seed and thus requiring re-testing to determine the quality of the seed, but does not include operations such as packaging and labeling. The Seeds Rules also classifies certified seed into foundation seed, registered seed and certified seed and prescribes standards to be met with by each class of certified seed.

Laws relating to sale of goods:

The Sale of Goods Act, 1930 (the “Sale of Goods Act”) governs contracts relating to sale of goods in India. The Contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

Shops and Establishments:

Legislations under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our stores, distribution and packing centers have to be registered under the shops and establishments legislations of the states where they are located.

Consumer Protection Act, 2019 (“COPRA, 2019”):

COPRA, 2019 came into force on August 9, 2019, replacing the Consumer Protection Act, 1986. It has been enacted with an intent to protect the interests of consumers and to establish competent authorities in order to timely and effectively

administer and settle consumer disputes. COPRA, 2019 provides for establishment of a Central Consumer Protection Authority to regulate, among other things, matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers. In order to address the consumer disputes redressal mechanism, it provides a mechanism (three tier consumer redressal mechanism at national, state and district levels) for the consumers to file a complaint against a trader or service provider. COPRA, 2019 provides for penalty for, among others, manufacturing for sale or storing, selling or distributing or importing products containing adulterants and for publishing false or misleading advertisements. The scope of the punitive restraint measures employed by the act include both – monetary penalties for amounts as high as Rs.5.00 million to imprisonment which may extend to life sentences, for distinct offences under the act.

Laws related to Intellectual Property Rights

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trademarks Act, 1999

Indian Patents Act, 1970:

A patent is an intellectual property right relating to inventions and is the 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, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957:

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trademarks Act, 1999 (“TM Act”):

The Trademarks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks

Environmental Laws

Our Company is subject to Indian laws and regulations concerning environmental protection. The, principal environmental regulations applicable to industries in India are the Water (Prevention and Control of Pollution) Act, 1974, the Water Access Act, 1977, the Air (Prevention and Control of Pollution) Act, 1981, the Environment Protection Act, 1986 and the Hazardous Wastes (Management and Handling) Rules, 1989. Further, environmental regulations require a company to file an Environmental Impact Assessment (EIA) with the State Pollution Control Board (PCB) and the Ministry of Environment and Forests (MEF) before undertaking a project entailing the construction, development or modification of any plant, system or structure. If the PCB approves the project, the matter is referred to the MEF for its final determination. The estimated impact that a particular project might have on the environment is carefully evaluated before granting clearances. When granting clearance, conditions may be imposed and the approving authorities may direct variations to the proposed project.

The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008:

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, as amended (Hazardous Wastes Rules), which superseded the Hazardous Wastes (Management and Handling) Rules, 1989, state that the occupier will be responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment. The hazardous wastes generated in the establishment of the occupier should be sent or sold to a recycler or re-processor or reuser registered or authorised under the Hazardous Wastes Rules or should be disposed of in an authorised disposal facility. The Ministry of Environment and Forests has been empowered to deal with the trans-boundary movement of hazardous wastes and to grant permission for transit of hazardous wastes through any part of India. No import of hazardous waste is permitted in India. The State Government, occupier, operator of a facility or any association of the occupier will be individually or jointly or severally responsible for, and identify sites for, establishing the facility for treatment, storage and disposal of hazardous wastes for the State Government.

The Environment (Protection) Act, 1986 (“Environment Act”)

The Environment Act has been enacted with the objective of protection and improvement of the environment. Under the Environment Act, 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 Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process. The Environment Act also contains provisions with respect to furnishing information to authorities in certain cases, the establishment of environment laboratories and the appointment of government analysts. The Environment Act prescribes penalties in form of fine, imprisonment or both, in case of non-compliance with the Environment Act or the rules thereunder.

Water (Prevention and Control of Pollution) Act, 1974 (“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 down by the State Pollution Control Board (“State PCB”). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the State PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent. The Air Act prescribes penalties for contravention in terms of fine, imprisonment or both.

Plastic Waste Management Rules, 2016

Under the Plastic Waste Management Rules, 2016 (“PWM Rules”), all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Solid Waste Management Rules, 2016, and handover segregated wastes to authorized waste processing or disposal facilities or deposition centers, either on its own or through the authorized waste collection agency. Recently, under the PWM Rules, producers, importers and brand-owners are required to obtain registration from the Central Pollution Control Board and the relevant State PCB, as the case may be.

Solid Waste Management Rules, 2016

All restaurants are required to ensure segregation of waste at source, facilitate collection of segregated waste in separate streams, handover recyclable material to either the authorized waste pickers or the authorized recyclers, in partnership with the local body. The bio-degradable waste shall be processed, treated and disposed off through composting or bio- methanation within the premises as far as possible. The residual waste shall be given to the waste collectors or agency as directed by the local body.

Labour Laws

The Industrial Relations Code, 2020:

The new Code passed by the Parliament replaces and Consolidates three labour legislations, being The Industrial Disputes Act, 1947, The Trade Unions Act, 1926, and The Industrial Employment (Standing Orders) Act, 1946. It aims at consolidating and amending the laws relating to trade unions, conditions of employment in industrial establishments, investigation and settlement of industrial disputes. While it retains several provisions from the existing legal framework regarding retrenchment, lay-off, closure, industrial disputes, trade union recognition, etc., new requirements have been introduced to simplify as well as add more structure to the existing regulations.

The Code on Wages, 2019:

The new Code replaces the following four laws: (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. Under the Act, the Central Government shall determine wage-related provisions in railways, mines, oil fields, etc., while the State Government is empowered to take such decisions in relation to other employments.

The Code on Social Security, 2020:

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers. In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our

laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

The Occupational Safety, Health and Working Conditions Code, 2020:

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Public Liability Insurance Act, 1991 (“PLI Act”)
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Payment of Gratuity Act, 1972.
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946
- The Employees Compensation Act, 1923 (“EC Act”) and the rules framed thereunder
- Minimum Wages Act, 1948 (“MWA”) and the rules framed thereunder

Regulation of Foreign Investment

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999, as amended (“FEMA”) read with the applicable FEMA Rules.

Foreign Direct Investment (“FDI”) Policy consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the Department of Industrial Policy and Promotion (“DIPP”). Consolidated FDI Policy will be valid until the DIPP issues an updated circular. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, where approval from the Government or the Reserve Bank of India (“RBI”) is required, depending upon the sector in which foreign investment is sought to be made.

Under the automatic route, the foreign investor or the Indian company does not require any approval of the RBI or Government for investments. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. Subject to the provisions of the Consolidated FDI Policy, FDI is allowed under the automatic route in the greenfield pharmaceutical projects up to 100% and in the brownfield pharmaceutical projects up to 74% under the automatic route and beyond 74% under the approval route.

EMPLOYMENT AND LABOUR LAWS:

Employees Deposit Linked Insurance Scheme, 1976:

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer’s contribution and also Central Government’s contribution to the insurance fund shall be credited to an account called as “Deposit-Linked Insurance Fund Account.”

The Employees Pension Scheme, 1995:

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or

PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

TAX RELATED LEGISLATIONS

Goods and Service Tax (GST): Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels: Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise– goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

OTHER LAWS

Municipality Laws:

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Police Laws:

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same including registering eating houses and obtaining a ‘no objection certificate’ for operating such eating houses with the police station located in that particular area, along with prescribing penalties for non-compliance.

The Indian Contract Act, 1872:

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

Transfer of Property Act, 1882:

The transfer of property is governed by the Transfer of Property Act, 1882 (“T.P. Act”). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

Registration Act, 1908:

The Registration Act, 1908 (“Registration Act”) has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.

OUR HISTORY AND CERTAIN CORPORATE MATTERS

History and Background

Our Company was originally incorporated as “Bhagya Agro-Care Private Limited” on April 02, 2013 vide certification of incorporation bearing Corporate Identity No. U51200GJ2013PTC074296 under the provision of Companies Act, 1956 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name was changed to “City Crops Agro Private Limited” and a fresh certificate of incorporation was obtained on December 6, 2021. Further, the Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies Ahmedabad, consequent upon conversion from Private Limited to Public Company dated December 27, 2021 in the name of “City Crops Agro Limited”. The Corporate Identification Number of our Company changed to U51200GJ2013PLC074296.

Changes in Registered office of the Company since incorporation:

Date	Details of Registered Office	Reason for Change
04/01/2021	A/12, Punam Parina Flats, Beside Chandraprabhu, Nr. Vasna Telephone Exchange, Vasna, Ahmedabad - 380007	Core activities of the business of the company shifted from one place to another place, conveniences, reduction of cost and saving time, other reason etc.
02/08/2021	A-208, Titanium City Centre, Near Sachin Tower, 100 Ft Ring Road, Satellite, Ahmedabad, Gujarat – 380015, India	Core activities of the business of the company shifted from one place to another place, conveniences, reduction of cost and saving time, other reason etc.

Main Objects of our Company:

To carry on business as importer, exporter, trader, buyers, sellers, retailers, wholesalers, suppliers, indenters, bottlers, packers, movers, preservers, stockists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaries or otherwise dealers in all kind of seeds, agriculture product, fertilizer, manures, plants and animal foods, pesticides, including insecticides, herbicides and fungicides and all type of chemicals processed or extracted from agricultural product.

Date	Nature of Amendment
05/04/2021	Increase in Authorised Capital from 1.00 Lacs to 12.00 Crores
06/12/2021	Alteration in Name Clause of MOA by Change in Name of the Company from Bhagya Agro-Care Private Limited to City Crops Agro Private Limited
27/12/2021	Amendment of Article of Association (The Company was incorporated as a private limited Company on 02nd April, 2013 due to which some restrictions of the Private Limited are there on the Company as per the Companies Act which has limited the scope of the Company’s business. The Board of Directors of the Company considered that looking in the expansion of business activities, the Company should be converted in to a Public Limited Company)
29/08/2022	Increase in Authorised Capital from 12.00 Crores to 25.00 Crores

Amendments to the Memorandum of Association and Article of Association of our Company

Corporate profile of our Company

City Crops Agro Limited is a Public Company incorporated on 2nd April, 2013. Its registered office is in Ahmedabad, Gujarat, India. The Company's status is Active, and it has filed its Annual Returns and Financial Statements up to 31 March 2022 (FY 2021-2022). It's a company limited by shares having an authorized capital of Rs 2,500.00 lakh and a paid-up capital of Rs 1,031.67 lakh as per MCA records.

Major events and Milestones in the history of our Company

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

Date	Major Milestones
02/04/2013	Incorporation
05/04/2021	Company commences and enters in trading of Agrochemicals, Seeds and allied items
06/12/2021	Change of Name by Company <ul style="list-style-type: none"> ▪ Alteration in Name Clause of MOA by Change in Name of the Company from Bhagya Agro-Care Private Limited to City Crops Agro Private Limited
27/12/2021	Conversion from Private Limited Company to Public Limited Company

Significant financial and strategic partnerships

As on the date of this Draft Prospectus, our Company does not have any significant strategic or financial partners.

Time/cost overrun in setting up projects

As on the date of this Draft Prospectus, there have been no time/cost overruns in setting up our projects.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/facility creation or location of stores.

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

As on the date of this Draft Prospectus, there has been no default, rescheduling or restructuring of borrowings with financial institutions or banks.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, revaluation of assets, etc. in the last 10 years

Except as mentioned in chapter “*Our History and Certain Corporate Matters*” beginning on page no. 94, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last 10 years preceding the date of this Prospectus.

Holding Company

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

Joint Ventures of our Company

As on the date of this Draft Prospectus, our Company does not have any joint ventures.

Subsidiaries of our Company

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

Associates of our Company

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

Details of Shareholders’ agreement

As on date of this Draft Prospectus, there are no subsisting shareholders’ agreements among our shareholders vis-à-vis our Company.

Agreements with Key Managerial Personnel, Directors, Promoters or any other employee

Neither our Promoters, nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, 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 the dealings of the securities of our Company.

Other material agreements

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners or financial partners, other than in the ordinary course of business.

Guarantees given by our Promoters

Our Promoters have not given any guarantee to any third parties as on the date of this Draft Prospectus.

Capital raising (Debt / Equity)

Except as set out in the chapters titled “*Capital Structure*” and “*Statement of Financial Indebtedness*” beginning on page nos. 44 and 146 respectively of this Draft Prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

Injunction or restraining order

Nil

Details regarding past performance of the company.

For details in relation to our past financial performance in the previous 3 (three) financial years, please refer to chapter titled “Restated Financial Information” beginning on page no. 118 of this Draft Prospectus.

Changes in the activities of our Company during the last ten (10) years

Except as mentioned in chapter “Our History and Certain Corporate Matters” beginning on page no. 94 there have been no changes in the activity of our Company during the last ten (10) years preceding as on the date of this Draft Prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company.

Shareholders of our Company

As on the date of this Draft Prospectus, our Company has 7 shareholders. For further details in relation to the current shareholding pattern, please refer to chapter titled “Capital Structure” beginning on page no. 44 of this Draft Prospectus.

OUR MANAGEMENT

Board of Directors

As per the Articles of Association, our Company is required to have not less than 3 (Three) directors and not more than 15 (Fifteen) Directors. Currently, our Company has 5 (Five) Directors on our Board. The detailed composition are as follows:

Sl. No	Name of the Director	DIN	Designation	Date of Joining
1)	Kaupilkumar Hasmukhbhai Shah	08937535	Executive Director and CFO	29/12/2020
2)	Shitalben Kaupilkumar Shah	08935979	Non-Executive Director	29/12/2020
3)	Shivangi Bipinchandra Gajjar	07243790	Independent Director	11/08/2022
4)	Priyanka K Gola	09384530	Independent Director	09/07/2022
5)	Bhavna Basantbhai Shah	09494548	Independent Director	09/07/2022

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

1.	Particulars	Details
	Name	Kaupilkumar Hasmukhbhai Shah
	Father's Name	Hasmukhbhai Sakarchand Shah
	Residential Address	A/12 Punam Perina Flat, B/H Vasna Telephone Exchange, Vasna, Ahmedabad, Gujarat, India, 380007
	Date of Birth	02/07/1977
	Age	45
	Designation	Director
	DIN	08937535
	Occupation	Business
	Nationality	Indian
	Qualification	B. Com
	No. of Years of Experience	22 Years
	Date of Appointment	29/12/2020
	Date of Change in Designation	05/04/2021
	Terms of Appointment	As mentioned in Engagement / Appointment Letter
	Directorship in other companies	NA

2.	Particulars	Details
	Name	Shitalben Kaupilkumar Shah
	Father's Name	Mahendra Bhai Harilal Sanghvi
	Residential Address	A/12 Punam Parina Flat, B/H Vasna Telephone Exchange, Vasna, Ahmedabad, Gujarat, India, 380007
	Date of Birth	22/06/1981
	Age	41
	Designation	Director
	DIN	08935979
	Occupation	Business
	Nationality	Indian
	Qualification	B.Com, LLB
	No. of Years of Experience	17 Years
	Date of Appointment	29/12/2020
	Date of Change in Designation	05/04/2021
	Terms of Appointment	As mentioned in Engagement / Appointment Letter
	Directorship in other companies	NA

3.	Particulars	Details
	Name	Shivangi Bipinchandra Gajjar
	Father's Name	Bipinchandra Vitthaladas Gajjar
	Residential Address	A/1/60, Radhavallabh Park, Near Nigam Society, Ghodasar, Ahmedabad, Gujarat India, 380050
	Date of Birth	18/10/1991
	Age	31
	Designation	Independent Director

DIN	07243790
Occupation	Business
Nationality	Indian
Qualification	Company Secretary
No. of Years of Experience	5 years
Date of Appointment	11/08/2022
Date of Change in Designation	NA
Terms of Appointment	As mentioned in Engagement / Appointment Letter
Directorship in other companies	1. Bright Solar Limited 2. Franklin Industries Limited 3. Kenrik Industries Limited 4. TTL Enterprises Limited

4.	Particulars	Details
	Name	Priyanka K Gola
	Father's Name	Kishorbhai Vashudev Gola
	Residential Address	92H, Popatpara, Street No-14, Popatpara Main Road, Rajkot, Gujarat-360001
	Date of Birth	10/07/1993
	Age	29
	Designation	Independent Director
	DIN	09384530
	Occupation	Business
	Nationality	Indian
	Qualification	B.Com, LL.B., Company Secretary
	No. of Years of Experience	8 Years
	Date of Appointment	09/07/2022
	Date of Change in Designation	NA
	Terms of Appointment	As mentioned in Engagement / Appointment Letter
	Directorship in other companies	1. Chartered Logistics Limited

5.	Particulars	Details
	Name	Bhavna Basantbhai Shah
	Father's Name	Basant Jivanlal Shah
	Residential Address	7, Chandanwadi, Shahibaug, Behind Circuit House, Ahmedabad, Gujarat, India, 380004
	Date of Birth	27/07/1988
	Age	34
	Designation	Independent Director
	DIN	09494548
	Occupation	Business
	Nationality	Indian
	Qualification	Company Secretary
	No. of Years of Experience	2 years
	Date of Appointment	09/07/2022
	Date of Change in Designation	NA
	Terms of Appointment	As mentioned in Engagement / Appointment Letter
	Directorship in other companies	1. JFL Life Sciences Limited 2. Sabar Flex India Limited

Brief profile of the Directors:

Kaupilkumar Hasmukhbhai Shah aged 45 years is executive director and Promoter of our Company. He holds Bachelors Degree in Commerce from Gujarat University. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

He is presently in charge of finance, macro management, and strategic matters of our company. He has also actively participated in Social Welfare activity through various organizations by providing Economic and Financial help to poor students for basic as well as higher education and also help to Old age and helpless people.

Shitalben Kaupilkumar Shah, aged 41 years, is a dynamic women entrepreneur heading executive operations at the Company and also one of the Promoters of our Company. She has earned her Bachelors in Commerce and Law from Gujarat University. Her experience has helped the Company to grow extensively over the period of time. She is playing vital role in formulating business strategies and effective implementation of the same. She is responsible for the expansion and overall management of the business of our Company. Her leadership abilities have been instrumental in leading the core team of our Company.

She has handled Business operations for many small ventures and has hands on experience in managing Human resource, brand building, brand development, marketing and compliance. She is currently associated with City Crops Agro Limited appointed as Executive Director.

Shivangi Bipinchandra Gajjar, aged 31 years, is a dynamic woman entrepreneur heading executive operations at the Company. She holds membership of Institute of Company Secretaries of India and also has earned her Bachelors in Commerce from Gujarat University. Her experience has helped the Company to grow extensively over the period of time. She is playing vital role in formulating business strategies and effective implementation of the same. She is responsible for the expansion and overall management of the business of our Company. Her leadership abilities have been instrumental in leading the core team of our Company.

She has handled Business operations for many small ventures and has hands on experience in managing Human resource, brand building, brand development, marketing and compliance.

Ms. Priyanka K Gola, aged 29 years is an Indian Citizen, is a qualified Company Secretary from The Institute of Company Secretaries of India and holds Bachelor's degree in Law (LLB). She also has a Bachelor's Degree in Commerce from Saurashtra University.

Priyanka Gola having more than 6 years of an experience as Key Managerial Personnel in TGB Banquets and Hotels Limited. She is also the founder of a Corporate Law firm namely NP & Associates, Corporate Law Consultants, Rajkot. She has more than 8 years of work experience in diversified areas including Corporate Laws, Corporate Governance, Tax, IT and amongst other services across a wide range of industries. She has an experience of Compliance Officer of listed entity as well as also appointed as a nodal Officer for the link between Stakeholder & the Company. Also worked with NBFCs and SEBI Regulated RIA and handling all the compliances of PoSH, Foreign Investments, PIT regulations etc. Her strength lies in deliverance for successful results of work assignments, with integrity and client satisfaction. She has laid roles for leadership, task performance with team, one-stop solutions for foreign Directors with Indian counterparts for overseas subsidiaries.

Ms. Bhavna Basantbhai Shah, aged 34 years is an Indian Citizen, is a qualified Company Secretary from The Institute of Company Secretaries of India and holds Bachelor's degree in Business Administration, Masters Degree in Commerce. She has also cleared PCC Level of Chartered Accountancy Course.

Currently serving at IRSS Insurance Group as Compliance Manager. She is a dynamic professional with 6 years of experience in the areas of Capital Market and Corporate laws.

She was erstwhile associated with Pantomath Capital Advisors, Merchant Bankers, as Assistant Manager and had opportunity to work in various areas of Capital Markets. Also worked with Insurance Companies and other business houses and has handled all the compliances of Companies Act, PoSH, FEMA, PIT regulations etc.

Family Relationships between the Directors:

Mr. Kaupilkumar Hasmukhbhai Shah is the husband of Mrs. Shitalben Kaupilkumar Shah.

Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a senior management as on the date of this Draft Prospectus.

Service Contracts

Our Company has executed a service contract with its Managing Director, Mr. Kaupilkumar Hasmukhbhai Shah on September 29, 2022. The major terms of the agreement are as under:

1. Appointment for period of five years with effect from September 29, 2022.
2. The Managing Director shall exercise and perform such powers and duties as the Board of directors of the company (hereinafter called "the Board") shall, from time to time, determine, and subject to any directions and restrictions, from time to time, given and imposed by the Board and subject to the restrictions contained hereinafter, he shall have the general control, management and superintendence of the business of the company with power to appoint and dismiss employees

(other than officers of the company drawing a basic pay of Rs. 50,000 per month and to enter into contracts on behalf of the company in the ordinary course of business and to do and perform all other acts and things, which in the ordinary course of business he may consider necessary or proper or in the interest of the company.

3. Without prejudice to the generality of the powers vested in the Managing Director under the preceding clause hereof, the Managing Director shall be entitled to exercise the following powers –
 - a. With Board's approval singly or together with other authorised officer(s) of the company, to open and operate on any banking or other account and to draw, make, accept, execute, endorse, discount, negotiate, retire, pay, satisfy and assign cheques, drafts, bills of exchange, promissory notes, hundis, interest and dividend warrants and other negotiable or transferable instruments or securities;
 - b. Together with other authorised officer(s) of the company to borrow moneys with or without security, but not exceeding Rs. five lakhs at a time from one party;
 - c. To incur capital expenditure up to a sum of Rs. five lakhs during any financial year;
 - d. Together with other authorised officer(s) of the company, to invest funds of the company in approved securities (other than in shares of other companies) and on fixed deposit with the company's bankers provided that such investments in any one financial year shall not exceed Rs. twenty lakhs;
 - e. To engage employees and other servants for the company at a basic salary not exceeding Rs. 7000/- per month within the budget sanctioned by the Board;
 - f. Together with other authorised officer(s) of the company, to enter into contracts for the purchase of goods and hiring of services for the company which contracts do not extend over a period of one year or exceed in value the sum of Rs. ten lakhs;
 - g. To institute, prosecute, defend, oppose, appear or appeal, to compromise, refer to arbitration, abandon subject to judgment, proceed to judgment and execution or become non-suited in any legal proceedings relating to customs or excise duties, tax on income, profits and capital and taxation generally or otherwise.
4. The Managing Director shall, throughout the said term, devote the whole of his time, attention and abilities to the business of the company, and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall faithfully serve the company and use his utmost endeavour to promote the interest thereof.
5. The company shall pay to the Managing Director during the continuance of this agreement in consideration of the performance of his duties a salary at the rate of Rs 50,000 per month.

Common directorships of the Directors in listed companies whose shares have been/were suspended from being trading on any of the Stock Exchange during his/her tenors for a period beginning from five (5) years prior to the date of this Draft Prospectus

None of the Directors are/were directors of any company whose shares were suspended from being 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 (5) years or to the extent applicable.

Director's association with the Securities Market

None of the Directors of our Company are associated with securities market.

Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India

None of the Directors are/were directors of any entity whose shares were delisted from any Stock Exchange(s) during the currency of their tenure as Director of the company. Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

Borrowing Powers of the Board

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The Board of Director vide the special resolution passed at the Annual General Meeting dated August 29, 2022, allowed to borrow and that

the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 100 crores (Rupees Hundred Crores only).

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading:

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of BSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

Policy for Determination of Materiality & Materiality of Related Party Transactions and on Dealing with Related Party Transactions:

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME platform of BSE.

Remuneration to Executive Directors

The compensation payable to Executive Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2 (54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

Payment or benefit to Non-Executive Directors of Our Company

Apart from the remuneration to Executive Directors, if any as provided, our Non-Executive Directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act, 2013 and the Rules made there under and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

The details of the shareholding of our directors as on the date of this Draft Prospectus are as follows:

Sl. No.	Name of the Shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Kaupilkumar Hasmukhbhai Shah	5167300	50.09%	31.67
2	Shitalben Kaupilkumar Shah	3757180	36.42%	23.03
Total		8924480	86.51%	54.70%

Interest of our Directors

Our directors may be deemed to be interested to the extent of their remunerations paid to them for services rendered and with the reimbursement of expenses payable to them as mentioned above. For further details, please refer to chapter titled “Our Promoters and Promoter Group” beginning on page no. 107 of this Draft Prospectus.

Further, none of our directors have any interest in any property acquired by our Company within two (2) years of the date of this Draft Prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building. Further, except as disclosed under sub-section “Shareholding of Directors in our Company” above, none of our Directors hold any Equity Shares, Preference Shares or any other form of securities in our Company. Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Other than as stated above and except as stated in the chapters titled “Restated Financial Information” and “Our Promoters and Promoter Group” beginning on pages 118 and 107 respectively of this Draft Prospectus, our Directors do not have any other interest in the business of our Company.

None of the relatives of our directors have been appointed to a place or office of profit in our Company other than mentioned elsewhere in the Draft Prospectus. For further details, please refer to chapter titled “Our Management” beginning on page 97 of this Draft Prospectus.

Our directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or

trustees pursuant to this Issue. Some of the directors also hold directorships in Promoter Group and Group Entities of our Company.

Our directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Except as stated in this chapter “Our Management” or the section titled “Restated Financial Information - Related Party Transactions” beginning on page nos.97 and 135 respectively of this Draft Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in the business of our Company.

Changes in the Board of Directors of our Company in the last three (3) years or to the extent applicable are as follows:

Name of Director	Date of Appointment	Date of Change of Designation	Date of cessation	Reason
Kaupilkumar Hasmukhbhai Shah	29/12/2020	05/04/2021	NA	
Shitalben Kaupilkumar Shah	29/12/2020	05/04/2021	NA	
Maulikaben Anantkumar Shah	NA	NA	04/01/2021	Resignation
Jigar Ashok Hebra	NA	NA	04/01/2021	Resignation
Nilam Viren Makwana	31/08/2021	NA	11/08/2022	Resignation
Priyanka K Gola	09/07/2022	NA	NA	NA
Bhavna Shah	09/07/2022	NA	NA	NA
Shivangi Bipinchandra Gajjar	11/08/2022	NA	NA	NA

Other Confirmations:

- None of our Promoters, Directors and our Company are on the RBI List of wilful defaulters or fraudulent borrowers as on the date of this Draft Prospectus.
- None of our Promoters or Directors of our Company are a fugitive economic offender.
- Further, none of our directors are or were directors of any listed company whose shares have been or were suspended from trading or delisted on any of the stock exchanges during the currency of their tenure as Director of the company during the ten years prior to the date of filing this Draft Prospectus.
- None of the Promoters, persons forming part of our Promoter Group, our directors of our Company or our Company are debarred from accessing the capital market by SEBI.
- None of the Promoters or Directors of our Company, has been or is involved as a promoter or director of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI.
- 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 etc.

Corporate Governance

The provisions of the Listing Regulations with respect to corporate governance will also be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of 6 (Six) Directors (including one-woman Director).

We have One (1) Executive full time Director, One (1) Non-Executive Director and Three (3) Independent Directors, which is in compliance with the requirements of Companies Act, 2013 and SEBI (LODR) Regulations.

COMMITTEES OF OUR BOARD

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

Audit Committee

As per section 177 of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.

Our Audit Committee was constituted pursuant to a resolution of our Board Meeting dated August 19, 2022. The Audit Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Shivangi Bipinchandra Gajjar	Chairperson	Independent Director
Kaupilkumar Hasmukhbhai Shah	Member	Executive Director
Bhavna Basantbhai Shah	Member	Independent Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

A. Powers of Audit Committee: The Audit Committee shall have powers, including the following:

- 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.

B. Role of Audit Committee: The role of the Audit Committee shall include the following:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 Draft Prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;

- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- monitoring the end use of funds raised through public offers and related matters.
- carrying out any other function as is mentioned in the terms of reference of the audit committee.

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than one hundred and twenty days shall elapse between two meetings. The quorum of the meeting shall be either two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

Stakeholders' Relationship Committee

As per section 178 (5) of the Companies Act, 2013, The Board of Directors of a Company which consists of more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee consisting of a chairperson who shall be a non- executive director and such other members as may be decided by the Board

Our Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board Meeting dated August 19, 2022. The Stakeholders' Relationship Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Shivangi Bipinchandra Gajjar	Chairperson	Independent Director
Priyanka K. Gola	Member	Independent Director
Bhavna Basantbhai Shah	Member	Independent Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

Role of the Stakeholders Relationship Committee

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time."

As required under Regulation 20 of the SEBI (LODR) Regulations, the Stakeholders' Relationship Committee shall meet at least once in a year.

Nomination and Remuneration Committee

As per section 178 (1) of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors: Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

Our Nomination and Remuneration Committee was constituted pursuant to a resolution of our Board Meeting dated August 19, 2022. The Nomination and Remuneration Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Shivangi Bipinchandra Gajjar	Chairperson	Independent Director
Priyanka K. Gola	Member	Independent Director
Bhavna Basantbhai Shah	Member	Independent Director

The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

Role of the Nomination and Remuneration Committee

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Set forth below are the role of our Nomination and Remuneration Committee.

- 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;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- 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.
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance].
- The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

As required under Regulation 19 of the SEBI (LODR) Regulations, the Nomination and Remuneration Committee shall meet at least once in a year. The quorum for a meeting shall be either two members present, or one-third of the members of the, whichever is greater, provided that there should be a minimum of one independent directors present.

Corporate Social Responsibility Committee:

As per section 135 (1) of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

The Corporate Social Responsibility committee is not applicable to our company till the date of this Draft Prospectus. We will comply with the requirement as and when the CSR is applicable to us.

KEY MANAGEMENT PERSONNEL

Our Company is managed by its Board of Directors, assisted by qualified professionals, in the respective field of production/finance/ distribution/marketing and corporate laws.

The following key personnel, in addition to Managing Director, assist the management of our Company:

S. No.	Name, Designation, Qualification	Date of Joining	Age (Yrs)	Term of office with date of expiration of term	Details of service Contracts including termination/retirement benefits	Experience (yrs)
1	Kaupilkumar Hasmukhbhai Shah Designation: CFO	09/07/2022	45	As per Company rules	NA	8
2	Zalakben Chintan Gajjar Designation: Company Secretary & Compliance Officer	10/01/2022	34	As per Company rules	NA	8

Brief Profile of Key Managerial Personnel

Mr. Kaupilkumar Hasmukhbhai Shah

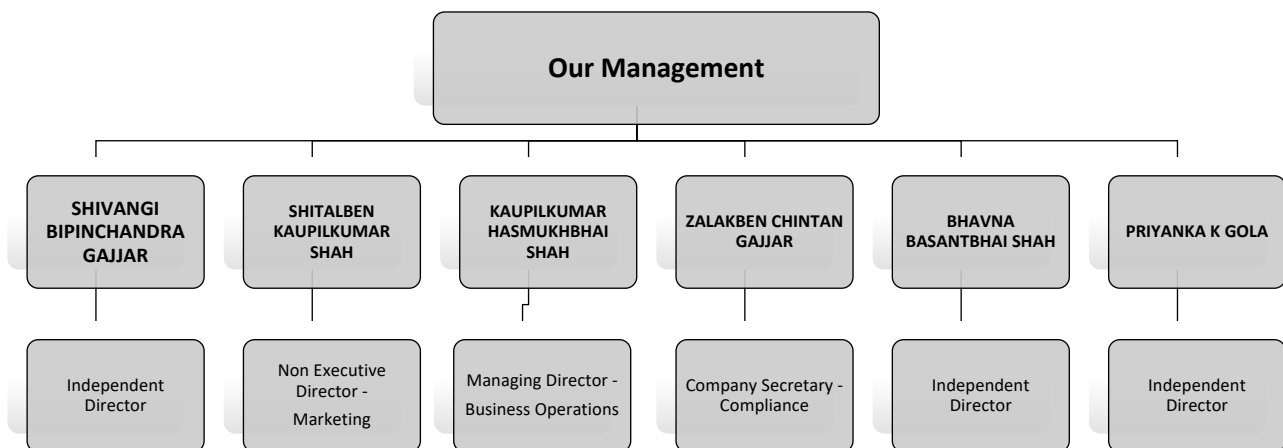
Kaupilkumar Hasmukhbhai Shah aged 45 years is executive director and Promoter of our Company. He holds Bachelors Degree in Commerce from Gujarat University. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

He is presently in charge of finance, macro management, and strategic matters of our company. He has also actively participated in Social Welfare activity through various organizations by providing Economic and Financial help to poor students for basic as well as higher education and also help to Old age and helpless people.

Ms. Zalakben Chintan Gajjar

Ms. Zalakben Chintan Gajjar, aged about 34 years, is a member of the Institute of Company Secretaries of India, She holds Bachelors Degree in Commerce from M.C.SHAH Commerce Collage and she also holds L.L.B. Degree from D.T. LAW Collage. She possesses approx 8 years of experience in secretarial and legal field. She joined the Company as Company Secretary and Compliance Officer on January 10, 2022. Terms and conditions for the Maximum Remuneration / salary (Including All type of perks) would be as per the discussions held between the Board of Directors and further, you will be eligible / entitled for benefits like Leave encashment, Provident Fund, Bonus /Ex-Gratia, Gratuity, Insurance and other benefits as per Company rules and regulations.

Management Organisation Structure





OUR PROMOTERS AND PROMOTER GROUP

1. Our Promoters:

Our Promoters are (i) Mr. Kaupilkumar Hasmukhbhai Shah and (ii) Mrs. Shitalben Kaupilkumar Shah. As on the date of this Draft Prospectus, our Promoters jointly hold 89,24,480 Equity Shares which in aggregate, constitutes 86.51% of the pre issued paid-up Equity Share capital of our Company.

Details of Individual Promoters of our Company

	<p>Mr. Kaupilkumar Hasmukhbhai Shah aged 45 years, is one of the Promoters and Director of the Company. For further personal details, please also refer to chapters titled “Our Management” and “Group Entities of our Company” beginning on page 97 and 110 respectively of this Draft Prospectus.</p>
Name of Promoter	Mr. Kaupilkumar Hasmukhbhai Shah
Father’s Name	Mr. Hasmukhbhai Sakarchand Shah
Date of Birth	02/07/1977
Qualification	B.com
Occupation	Business
Nationality	Indian
Address	A/12 Punam Perina Flat, B/H Vasna Telephone Exchange, Vasna, Ahmedabad, Gujarat, India, 380007
Permanent Account No.	BGKPS5616K

	<p>Mrs. Shitalben Kaupilkumar Shah, aged 41 years, is the Promoter and Director of the Company. For further personal details, please also refer to chapters titled “Our Management” and “Group Entities of our Company” beginning on pages 97 and 110 respectively of this Draft Prospectus.</p>
Name of Promoter	Mrs. Shitalben Kaupilkumar Shah
Father’s Name	Mr. Mahendra Bhai Harilal Sanghvi
Date of Birth	22/06/1981
Qualification	B.Com, LLB
Occupation	Business
Nationality	Indian
Address	A/12 Punam Parina Flat, B/H Vasna Telephone Exchange, Vasna, Ahmedabad, Gujarat, India, 380007
Permanent Account No.	CMNPS9647G

Our Company confirms that it will submit the details of the PAN, Bank Account Number, Passport and Aadhar Card of our Promoters to BSE separately at the time of filing the Draft Prospectus.

(i) Details of Body Corporate Promoters of our Company: Not Applicable

Other Information related to Our Company:

1. Interests of our Promoters:

Interests of our Promoters:

Our Promoters are interested in our Company to the extent of their respective Equity shareholding in our Company and any dividend distribution that may be made by our Company in the future. For details pertaining to our Promoters' shareholding, please refer to chapter titled "*Capital Structure*" beginning on page 44 of this Draft Prospectus. Further, our promoters may also be interested to the extent they are Directors on our Board. For further information on remuneration to the Executive Directors, please refer to chapter titled "*Our Management*" beginning on page 97 of this Draft Prospectus.

Except as disclosed in this Draft Prospectus, our Promoters have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested, and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

None of our Promoters or Group Entities have any interest in any property acquired by our Company within two (2) years of the date of this Draft Prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building or supply of machinery.

Interest of Promoters in Sales and Purchases:

There are no sales/purchases between our Company and our Group Entity other than as stated in the chapter titled "*Restated Financial Information - Related Party Transactions*" beginning on page no. 135 of this Draft Prospectus.

Confirmations:

Our Company hereby confirms that:

- None of our Promoters have been declared as a willful defaulter or fraudulent borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoters in the past nor any pending against them.
- None of our Promoters, Promoter Group or Directors or persons in control of our Company or bodies corporate forming part of our Promoter Group have been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

Payment or benefits to the Promoters in the last two (2) years:

No payment or benefit has been made to the Promoters except as disclosed in the related party transaction. For further details, please refer to chapter titled "*Restated Financial Information - Related Party Transactions*" beginning on page no. 135 of this Draft Prospectus.

Disassociation by the Promoters from entities in last three (3) years:

Except as set out below, our Promoters have not disassociated themselves from any company or firm during the three years preceding the date of filing of this Draft Prospectus:

Name of Promoter	Name of Company or Firm from which Promoter has Disassociated	Reasons for and Circumstances Leading to Disassociation	Date of Disassociation
Kaupilkumar Hasmukh bhai Shah	None	None	None
Shitalben Kaupilkumar Shah	None	None	None

Litigation details pertaining to our Promoters:

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters please refer to chapter titled "*Outstanding Litigations and Material Developments*" beginning on page no. 147 of this Draft Prospectus.

Our Promoter Group:

In compliance with SEBI Guideline, "*Promoter Group*" pursuant to the regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we confirm that following persons are part of promoter group:

The Promoters:

Sr. No.	Name of the Promoters
1.	Mr. Kaupilkumar Hasmukhbhai Shah

2.	Mrs. Shitalben Kaupilkumar Shah
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Natural persons i.e., an immediate relative of the promoter (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse):

Relationship	Relatives of Promoters (Kaupilkumar Hasmukhbhai Shah)	Relatives of Promoters (Shitalben Kaupilkumar Shah)
Father	Hasmukhbhai shah	Mahendrabhai Shah
Mother	Kokilaben shah	#
Spouse	Shitalben Shah	Kaupilkumar Shah
Brother	NA	NA
Sister	NA	NA
Son	*	*
Daughter	*	*
Spouse's Father	Mahendrabhai Shah	Hasmukhbhai shah
Spouse's Mother	#	Kokilaben shah
Spouse's Brother	NA	NA
Spouse's Sister	NA	NA

Shrimati Sarojben Shah, mother of Shitalben Kaupilkumar Shah has not been mentioned in the above table as she is deceased.

*Their children Vansh Shah and Divya Shah have not been included in the above table as they are minors.

Note: Kaupilkumar Hasmukhbhai Shah and Shitalben Kaupilkumar Shah have no siblings.

GROUP ENTITIES OF OUR COMPANY

In compliance with SEBI Guideline, “*Group Companies/Entities*” pursuant to the regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018, shall include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

In terms of the Materiality Policy, Group companies of the Company shall include such companies (other than subsidiary/subsidiaries) (a) is a member of the Promoter Group; (b) has entered into one or more transactions with the Company during the most recent Financial Year any included in the Restated Financial Statements, that which individually or cumulatively exceed 5% of the consolidated revenue of the Company derived from the Restated Consolidated Financial Information of the last completed full financial year, and (c) other companies as determined to be 'material' by the Board.

It is clarified that companies which, subsequent to the Relevant Period have ceased to be related parties of our Company in terms of applicable accounting standards shall not be considered as ‘Group Companies’.

As on the date of this Draft Prospectus we do not have any Group Company.

RELATED PARTY TRANSACTIONS

For details on related party transactions (As per the requirement under Accounting Standard 18 “Related Party Disclosure” issued by ICAI) of our Company during the restated audit period as mentioned in this Draft Prospectus i.e., for the period ended September 30, 2022 and the financial year ended on 31st March 2022, 31st March 2021 and 31st March 2020 please refer to chapter titled, Restated Financial Information - Related Party Transactions, beginning on page 135 of this Draft Prospectus.

DIVIDEND POLICY

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to Board of Directors to declare and pay interim dividends.

The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

Dividends are payable within thirty days of approval by the Equity Shareholders at the annual general meeting of our Company and in case of interim dividend within thirty days of declaration by the Board of Directors. When dividend is declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

Our Company has not declared any dividend on the Equity Shares for the period covered in Restatement of Accounts as per our Restated Financial Statements.

SECTION VII: FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON THE RESTATED FINANCIAL STATEMENTS OF CITY CROPS AGRO LIMITED

To,
The Board of Directors
City Crops Agro Limited
A-208, Titanium City Centre,
Nr Sachin Tower,
100 Ft Ring Road,
Satellite, Ahmedabad-380015

Dear Sirs,

1. We have examined the attached Restated Financial Information of **City Crops Agro Limited** (Formerly known as “Bhagya Agro Care Private Limited”, (the “Company” or the “Issuer”) comprising the Restated Statement of Assets and Liabilities as on September 30, 2022, as on March 31, 2022, as on March 31, 2021 and as on March 31, 2020, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the period ended September 30, 2022 and for the year ended March 31, 2022, March 31, 2021 and March 31, 2020, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the “Restated Financial Information” or “Restated Financial Statements”), as approved by the Board of Directors of the Company at their meeting held on 15-12-2022 for the purpose of inclusion in the Draft Prospectus/ Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”).
2. These restated Summary Statement have been prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”)
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
3. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Ahmedabad and the Bombay Stock Exchange (BSE) in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. 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 Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 19-08-2022 in connection with the proposed IPO of equity shares of the Issuer;
 - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance

Note in connection with the IPO.

5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the six month period ended on September 30, 2022, and financial years ended on March 31, 2022, March 31, 2021 and March 31, 2020, which has been approved by the Board of Directors.
 - a) We have audited the special purpose financial statements of the company as at and for the six month period ended on September 30, 2022 prepared by the company in accordance with Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India for the limited purpose of complying with the requirement of Restated Audited Financial statements in the offer documents should not be more than six months old from the issue opening date as required by ICDR Regulations in relation to the proposed IPO. We have issued our report dated 15-12-2022 on this special purpose which have been approved by the Board of Directors at their meeting held on 15-12-2022.
 - b) Audited financial statements of the Company as at and for the years ended March 31, 2022, 2021 and 2020 prepared in accordance with the Accounting Standards which have been approved by the Board of Directors at their meeting held on 19-08-2022, 25-09-2021 and 05-12-2020 respectively.
6. For the purpose of our examination, we have relied on:
 - a) Auditors' reports issued by us dated 14-12-2022 as at and for the six month period ended on September 30, 2022 as referred in Paragraph 5(a) above and dated 19-08-2022 as at and for the year ended on March 31, 2022.
 - b) Auditors' Report issued by previous auditor dated 05-12-2020 on the financial statements of the company as at and for the years ended March 31, 2020.

The audits for the financial years ended March 31, 2020 were conducted by the Company's previous auditors, B Mayur & Associates, (the "Previous Auditors"), and accordingly reliance has been placed on the statement of assets and liabilities and the statements of profit and loss and cash flow statements, Significant Accounting Policies, and other explanatory information and (collectively, the "2020 Audited Financial Statements") examined by them for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:
 - a) The "**Restated Summary Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at and for the six month period ended on September 30, 2022, and as at and for the years ended March 31, 2022, March 31, 2021 and March 31,2020 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
 - b) The "**Restated Summary Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company as at and for the six month period ended on September 30, 2022, and as at and for the years ended March 31, 2022, March 31, 2021 and March 31,2020 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
 - c) The "**Restated Summary Statement of Cash Flow**" as set out in **Annexure III** to this report, of the Company as at and for the six month period ended on September 30, 2022, and as at and for the years ended March 31, 2022, March 31, 2021 and March 31,2020 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
 - d) The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

- e) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
- g) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
- h) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the six month period ended on September 30, 2022, and as at and for the years ended March 31, 2022, March 31, 2021 and March 31,2020 which would require adjustments in this Restated Financial Statements of the Company;
- i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV** to this report;
- j) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Summary Statements;
- k) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
- l) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- m) the company has not proposed any dividend in past effective for the said period.
8. 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 as at and for the six month period ended on September 30, 2022, and as at and for the years ended March 31, 2022, March 31, 2021 and March 31,2020 proposed to be included in the Draft Prospectus/Prospectus.

Annexure No.	Particulars
I	Restated Statement of Assets & Liabilities
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Deferred Tax Liabilities/Assets
I.5	Restated Statement of Short-Term Borrowings
I.6	Restated Statement of Trade Payable
I.7	Restated Statement of Other Current Liabilities
I.8	Restated Statement of Short-Term Provisions
I.9	Restated Statement of Fixed Assets & Depreciations
I.10	Restated Statement of Non-Current Investment
I.11	Restated Statement of Long-Term Loans and Advances
I.12	Restated Statement of Other Non-Current Assets
I.13	Restated Statement of Inventories
I.14	Restated Statement of Trade Receivable
I.15	Restated Statement of Cash & Cash Equivalent
I.16	Restated Statement of Short-Term Loans and Advances
I.17	Restated Statement of Other Current Assets
II	Restated Statement of Profit & Loss
II.1	Restated Statement of Revenue from operations

II.2	Restated Statement of Other Income
II.3	Restated Statement of Cost of Material Consumed
II.4	Restated Statement of Changes in Inventories
II.5	Restated Statement of Employees Benefit Expenses
II.6	Restated Statement of Other Expenses
II.7	Restated Statement of Financial Charges
II.8	Restated Statement of Provision for Taxation
Other Annexures:	
III	Cash Flow Statement
IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated
VII	Statement of Capitalization, As Restated
VIII	Statement of Tax Shelter, As Restated
IX	Statement of Related Parties & Transactions
X	Statement of Dividends
XI	Changes in the Significant Accounting Policies
XII	Contingent Liabilities

9. We, M/s. **V S S B & Associates**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “**Peer Review Board**” of the ICAI which is valid till 31-10-2023.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Prospectus / Prospectus to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Ahmedabad in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For, V S S B & Associates
Chartered Accountants
FRN 121356W

(Vishves Shah)
Partner
M No 109944
Date: December 15, 2022
Place: Ahmedabad
UDIN: 22109944BFMYBY4280

RESTATED FINANCIAL INFORMATION

ANNEXURE - I					
STATEMENT OF STANDALONE ASSETS & LIABILITIES, AS RESTATED					
(Rs. In Thousands, Unless mentioned otherwise)					
Particulars	Note No.	6 months ended	As on		
		30-09-2022	31-03-2022	31-03-2021	31-03-2020
Equity & Liabilities					
1. Shareholders Fund					
a) Share capital	I.1	103167.60	103163.80	100.00	100.00
b) Reserves and surplus	I.2	10680.91	4549.81	408.41	(23.19)
Total Shareholder's Fund		113848.51	107713.61	508.41	76.81
2. Non Current Liabilities					
a) Long Term Borrowings	I.3	201.00	501.00	51.00	0.00
b) Deferred Tax Liability	I.4	5.47	7.27	0.00	0.00
Total Non Current Liabilities		206.47	508.27	51.00	0.00
3. Current Liabilities					
a) Short Term Borrowings	I.5	0.00	0.00	0.00	0.00
b) Trade Payables	I.6	20480.59	20982.99	24114.62	0.00
c) Other Current Liabilities	I.7	392.32	129.79	25.00	0.00
d) Short Term Provisions	I.8	781.23	560.92	0.00	0.00
Total Current Liabilities		21654.14	21673.70	24139.62	0.00
Total Equity & Liability		135709.13	129895.58	24699.03	76.81
4. Non-Current Assets					
a) Fixed Assets					
- Tangible Assets	I.9	107.45	135.96	0.00	0.00
- Intangible Assets		0.00	0.00	0.00	0.00
- Work-In-Progress		0.00	0.00	0.00	0.00
Total Fixed Assets					
b) Non - current Investments	I.10	0.00	0.00	0.00	0.00
c) Deferred Tax Assets (Net)	I.4	0.00	0.00	91.00	76.81
d) Long Term Loans and Advances	I.11	40793.25	42535.43	0.00	0.00
e) Other Non- current Assets	I.12	0.00	0.00	0.00	0.00
Total Non Current Assets		40900.70	42671.38	91.00	76.81
5. Current assets					
a) Inventories	I.13	0.00	0.00	0.00	0.00
b) Trade Receivables	I.14	64211.17	82861.43	21264.04	0.00
c) Cash and Cash Equivalents balances	I.15	704.13	4241.57	3343.99	0.00
d) Short Term Loans and advances	I.16	0.00	0.00	0.00	0.00
e) Other Current Assets	I.17	29893.13	121.19	0.00	0.00
Total Current Assets		94808.43	87224.19	24608.03	0.00
Total Assets		135709.13	129895.58	24699.03	76.81

ANNEXURE - II					
STATEMENT OF STANDALONE PROFIT & LOSS, AS RESTATED					
(Rs. In Thousands, Unless mentioned otherwise)					
Particulars	Note No.	6 months ended	For the Year ended on		
		30-09-2022	31-03-2022	31-03-2021	31-03-2020
Income					
Revenue from Operations	II.1	96131.44	177487.53	34889.89	0.00
Other Income	II.2	140.15	81.28	0.00	0.00
Total Revenue		96271.59	177568.81	34889.89	0.00
Expenditure					
Cost of Material Consumed	II.3	86350.87	168027.05	33739.62	0.00
Change in Inventories	II.4	0.00	0.00	0.00	0.00
Employee Benefit Expenses	II.5	629.90	1395.75	393.80	0.00
Other Expenses	II.6	2912.70	2601.38	339.06	2.47
Total Expenses		89893.47	172024.18	34472.48	2.47
Profit Before Interest, Depreciation and Tax					
		6378.13	5544.63	417.41	(2.47)
Depreciation & Amortisation Expenses	I.9	28.50	44.04	0.00	0.00
Profit Before Interest and Tax		6349.62	5500.59	417.41	(2.47)
Financial Charges	II.7	0.00	0.00	0.00	0.00
Profit before Taxation		6349.62	5500.59	417.41	(2.47)
Provision for Taxation	II.8	220.31	560.92	0.00	0.00
Provision for Deferred Tax		(1.80)	98.27	(14.19)	(0.64)
Total		218.52	659.19	(14.19)	(0.64)
Profit After Tax but Before Extraordinary Items		6131.11	4841.39	431.60	(1.82)
Extraordinary Items		0.00	0.00	0.00	0.00
Profit Attributable to Minority Shareholders		0.00	0.00	0.00	0.00
Net Profit after adjustments		6131.11	4841.39	431.60	(1.82)
Net Profit Transferred to Balance Sheet		6131.11	4841.39	431.60	(1.82)

ANNEXURE - III				
STATEMENT OF STANDALONE CASH FLOW, AS RESTATED				
(Rs. In Thousands, Unless mentioned otherwise)				
PARTICULARS	6 months ended	For the Year ended on		
	30-09-2022	31-03-2022	31-03-2021	31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit Before Tax as per Profit & Loss A/c	6349.62	5500.59	417.41	(2.47)
Adjusted for :				
a. Depreciation	28.50	44.04	0.00	0.00
b. Interest Expenses & Finance Cost	0.00	0.00	0.00	0.00
c. Other Adjustments	0.00	0.00	0.00	0.00
d. Interest & Other Income	140.15	81.28	0.00	0.00
Operating profit before working capital changes				
Adjusted for :				
a. Decrease /(Increase) in Inventories	0.00	0.00	0.00	0.00
b. Decrease / (Increase) in trade receivable	18650.26	(61597.39)	(21264.04)	0.00
b. Decrease / (Increase) in Current Investments	0.00	0.00	0.00	0.00
c. (Increase) / Decrease in short term loans and advances	0.00	0.00	0.00	0.00
d. Increase / (Decrease) in Trade Payables	(502.40)	(3131.63)	24114.62	0.00
e. Increase / (Decrease) in short term provisions	0.00	0.00	0.00	0.00
f. Increase / (Decrease) in other current liabilities	262.53	104.79	25.00	0.00
g. (Increase) / Decrease in Other Current Assets	(29729.99)	0.00	0.00	1.82
Cash generated from operations				
Net Income Tax (Paid)/Refund	(41.95)	(121.19)	0.00	0.00
Net Cash Generated/(Used) From Operating Activities (A)	(4843.26)	(59119.51)	3292.99	(0.65)
B. CASH FLOW FROM INVESTING ACTIVITIES				
a. (Purchase) Sale of Fixed Assets	0.00	(180.00)	0.00	0.00
b.(Purchase) / Sale of non-current investment	0.00	0.00	0.00	0.00
c. (Increase) / Decrease in Long term loans and advances	1742.18	(42535.43)	0.00	0.00
d. Increase / (Decrease) in Long Term Provisions				
e. (Increase) / Decrease in Other Non Current Assets	0.00	0.00	0.00	0.00
f. (Increase) in Misc. Expenses	0.00	0.00	0.00	0.00
g. Interest & Other Income	(140.15)	(81.28)	0.00	0.00
Net Cash Generated/(Used) From Investing Activities (B)	1602.02	(42796.71)	0.00	0.00
C. CASH FLOW FROM FINANCING ACTIVITIES				
a. Interest & Finance Cost	0.00	0.00	0.00	0.00
b. Proceeds from share issued including Premium	3.80	102363.80	0.00	

c. (Repayments) / proceeds of long term borrowings	(300.00)	450.00	51.00	0.00
d. (Repayments) / proceeds of short term borrowings	0.00	0.00	0.00	0.00
Net Cash Generated/(Used) From Financing Activities (C)	(296.20)	102813.80	51.00	0.00
Net Increase / (Decrease) in cash and cash equivalents	(3537.44)	897.58	3343.99	(0.65)
Cash and cash equivalents at the beginning of the year	4241.57	3343.99	0.00	0.65
Cash and cash equivalents at the end of the year	704.13	4241.57	3343.99	0.00

ANNEXURE -IV SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. **Background of the company:**

City Crops Agro Limited is a Public Company (Unlisted) domiciled in India having CIN: U51200GJ2013PLC074296. The registered office of the company is located at A-208, Titanium City Centre, Near Sachin Tower, 100 Ft Ring Road, Satellite, Ahmedabad, Gujarat – 380015, India. The Company is engaged in the business of Production and Trading of Agriculture products.

B. **Statement of Significant Accounting Policies**

1.1 **Basis of Preparation of Financial Statements:**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) rules 2015.

The financial statements are prepared on accrual basis under the historical cost convention, except for certain fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees.

1.2 **Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

1.3 **Fixed Assets:**

Fixed Assets are stated at cost less depreciation. The cost of an asset comprises its purchase price and directly attributable expenses. Expenditure for addition and improvements are capitalized as and when incurred.

1.4 **Depreciation:**

Depreciation is provided on a straight line basis over the useful lives of assets, which is as stated in Schedule II of the Companies Act 2013 or based on technical estimation made by the Company.

Depreciation and amortization methods, useful lives and residual values are reviewed at each reporting date.

1.5 **Revenue Recognition:**

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is reasonably certain, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably and stated net of Goods & Services Tax, Sales Tax, VAT, trade discounts and rebates. Interest income is recognized on time proportion basis, taking into account outstanding amount and the applicable interest rate. Dividend income is accounted when the company's right to receive dividend is established

1.6 **Taxes on Income:**

Provision for current tax is made in terms of provisions of the Income Tax Act, 1961. Deferred tax on account of timing difference between taxable and accounting income is provided considering the tax rates and tax laws enacted or substantively enacted by Balance sheet date, the deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

Minimum Alternate Tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

1.7 **Earnings per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

1.8 **Provisions/Contingencies:**

A provision is recognized when there is a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined (as provided/charged to the Statement of Profit and Loss) based on estimate of the amount required to settle the obligation at the Balance Sheet date and are not discounted to present value. Contingent assets are neither recognized nor disclosed in the financial statements.

- 1.9 Borrowing Cost:**
Borrowing Cost attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.
- 1.10 Inventory:**
Inventories are valued at cost or net realizable value whichever is lower and on FIFO method.
- 1.11 Foreign Currency Transactions:**
There is no foreign currency transaction in this company.
- 1.12 Segment Information:**
Based on the principles for determination of segments given in Accounting Standard 17 “Segment Reporting” issued by accounting standard notified by Companies (Accounting Standard) Rules, 2008, the company is mainly engaged in the activity surrounded with main business of the Company hence there is no reportable segment.
- 1.13 Impairment of Assets:**
An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which as the asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.
- The company found no indication that any asset may be impaired. Therefore, there was no need to determine impairment Loss. Other disclosure requirements as per mandatory Accounting Standard AS – 28 are not applicable in the case of the company.
- 1.14 Prior Period Expenditure:**
The change in estimate due to error or omission in earlier period is treated as prior period items. The items in respect of which liability has arisen/crystallized in the current year, though pertaining to earlier year is not treated as prior period expenditure.
- 1.15 Extra Ordinary Items:**
The income or expenses that arise from event or transactions which are clearly distinct from the ordinary activities of the Company and are not recurring in nature are treated as extra ordinary items. The extra ordinary items are disclosed in the statement of profit and loss as a part of net profit or loss for the period in a manner so as the impact of the same on current profit can be perceived.
- 1.16 Employee Benefits:**
Provision for liabilities in respect to gratuity benefits are not made. However, it will be recognized as an expenses in the statement of Profit & Loss account on actual basis during the period in which the eligible employee leaves the services of the company and settlements of his due are made on actual calculation.

ANNEXURE – V ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Notes to the Re-stated Financial Statements:

I. Non-adjustment Items:

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

II. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

Particulars	For the period ended			
	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Reserve & Surplus as per Books of Accounts	11078.33	4947.22	317.41	(100.00)
Adjustment in Profit & Loss Accounts	0.00	(488.42)	14.19	0.64
Adjustment in opening Balance	(397.41)	91.00	76.81	76.17
Reserve & Surplus as per Restated	10680.91	4549.81	408.41	(23.19)

III. Material Adjustments in Restated Profit & Loss Account:

Particulars	For the period ended			
	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Profit After Tax as per Books of Accounts	6131.11	5329.81	417.41	(2.47)
Adjustment for provision of Depreciation	0.00	0.00	0.00	0.00
Adjustment for provision of Income Tax	0.00	(397.41)	0.00	0.00
Adjustment for provision of Deferred Tax	0.00	(91.00)	14.19	0.64
Profit After Tax as per Restated	6131.11	4841.39	431.60	(1.82)

Rs. In '000

IV. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 30th September, 2022 and as on 31st March, 2022 as Micro, Small or Medium enterprises. Consequently, the amount paid/payable to these parties could not be ascertainable.

There are no micro and small enterprises, as defined in the micro and small enterprises development act, 2006, to whom the company owes dues on account of principal amount together with the interest and accordingly no additional disclosures have been made. The above 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. This has been relied upon by the auditors.

V. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

VI. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

VII. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

VIII. Expenditure in Foreign Currency: Nil

IX. Earnings in Foreign Exchange: Nil

- X. Leave Encashment [AS-15]**
Accounting Standard (AS) – 15 issued by ICAI is Mandatory. However, the company has not made provision for leave encashment benefit on retirement of employee as the quantum of liability is not ascertainable due to the availability of leave encashment benefit and availment of leave any time during the service period.
- XI. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**
Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.
- XII. Re-grouping/re-classification of amounts**
The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee.
- XIII. Examination of Books of Accounts & Contingent Liability**
The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.
- XIV. Director Personal Expenses**
There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.
- XV. Deferred Tax Asset / Liability: [AS-22]**
The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

Annexure – I.1

Restated Statement of Share Capital				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Authorised Capital				
2,50,00,000 Equity shares of Rs.10/- each	250000.00	120000.00	100.00	100.00
Issued, Subscribed & Fully Paid-up				
1,03,16,760 Equity shares of Rs.10/- each	103167.60	103163.80	100.00	100.00
Note: The Company has only one class of equity shares of par value Rs.10/- each. Each equity shareholder is entitled to one vote per share held, and on liquidation entitled to receive balance of net assets remaining after settlement of all debts, creditors & preferential amounts, proportionate to their respective shareholding.				
Reconciliation of No. of Shares Outstanding at the end of the year			<i>(No. of Equity Shares)</i>	
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Shares outstanding at the beginning of the year	1,03,16,380	10,000	10,000	10,000
Shares issued during the year	380	1,02,36,380	-	-
Bonus Issued during the year	-	70,000	-	-
Share outstanding at the end of the year	1,03,16,760	1,03,16,380	10,000	10,000
Details of Shareholding more than 5% of the aggregate shares in the company				
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
<i>Kaupil H Shah</i>				
No. of Shares	51,67,300	51,67,000	5,000	-
% Holding	50.09%	50.09%	50.00%	0.00%
<i>Chandrima Mercantiles Ltd</i>				
No. of Shares	13,91,900	13,91,900	-	-
% Holding	13.49%	13.49%	0.00%	0.00%
<i>Jigar A Hebra</i>				
No. of Shares	-	-	-	5,000
% Holding	0.00%	0.00%	0.00%	50.00%
<i>Maulikaben A Patel</i>				
No. of Shares	-	-	-	5,000
% Holding	0.00%	0.00%	0.00%	50.00%
<i>Shitalben K Shah</i>				
No. of Shares	37,57,180	37,57,100	5,000	-
% Holding	36.42%	36.42%	50.00%	0.00%

Annexure – I.2

Restated Statement of Reserve & Surplus				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Statement of Profit & Loss				
Opening balance	4549.81	408.41	(23.19)	(23.18)
Add: Profit for the year	6131.11	4841.39	431.60	(1.82)
Total	10680.91	5249.81	408.41	(25.01)
Less: Utilised for Bonus Issue	0.00	700.00	0.00	0.00
Balance as at the end of the year	10680.91	4549.81	408.41	(25.01)
Security Premium Reserve	0.00	0.00	0.00	0.00
Revaluation Reserves	0.00	0.00	0.00	0.00
Other Reserves, If Any	0.00	0.00	0.00	1.82
Total Reserve & Surplus	10680.91	4549.81	408.41	(23.19)

Annexure – I.3

Restated Statement of Long Term Borrowings				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Loans from Others	0.00	200.00		
Loans from Related Parties	201.00	301.00	51.00	
Total	201.00	501.00	51.00	0.00

Annexure – I.4

Restated Statement of Deferred Tax Liabilities/Assets				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Deferred Tax Assets/Liabilities Provision				
(A) Fixed Assets				
WDV As Per Companies Act 2013	107.45	135.96	0.00	0.00
WDV As Per Income tax Act	86.40	108.00	0.00	0.00
Difference in WDV	21.05	27.96	0.00	0.00
(DTA)/DTL (A)	5.47	7.27	0.00	0.00
(B) Brought Forward Losses				
Cummulative Carried forward losses as per Income Tax Act	0.00	350.01	295.44	292.97
Current Year Carried forward Loss	0.00	0.00	54.57	2.47
Carried forward loss setoff	0.00	(350.01)	0.00	0.00
Difference	0.00	0.00	350.01	295.44
(DTA)/DTL (B)	0.00	0.00	(91.00)	(76.81)
(DTA)/DTL	5.47	7.27	(91.00)	(76.81)

Deferred Tax Assets Provision				
Opening Balance of (DTA)/DTL	7.27	(91.00)	(76.81)	(76.17)
Add: Provision for the year	(1.80)	98.27	(14.19)	(0.64)
Closing Balance of (DTA)/DTL	5.47	7.27	(91.00)	(76.81)

Annexure – I.5				
Restated Statement of Short Term Borrowings				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Loan from Bank	0.00	0.00	0.00	0.00
Unsecured Loans from Related Parties	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00

Annexure – I.6				
Restated Statement of Trade Payables				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
MSME Creditors	0.00	0.00	0.00	0.00
Other Creditors	20480.59	20982.99	24114.62	0.00
Total	20480.59	20982.99	24114.62	0.00

Annexure – I.7				
Restated Statement of Other Current Liabilities				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Audit Fees Payable	0.00	41.50	25.00	0.00
Rent Payable	0.00	0.00	0.00	0.00
TDS Payable	0.00	0.00	0.00	0.00
Wages & Salary Expenses	250.40	0.00	0.00	0.00
Electricity Expenses	0.00	0.00	0.00	0.00
Outstanding Contract Charges	0.00	0.00	0.00	0.00
EPF	0.00	0.00	0.00	0.00
Duties & Taxes	141.92	88.29	0.00	0.00
Total	392.32	129.79	25.00	0.00

Annexure – I.8				
Restated Statement of Short Term Provision				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>

Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Provision for Income Tax for Earlier Year	560.92	0.00	0.00	0.00
Provision for Income Tax Current Year	220.31	560.92	0.00	0.00
Total	781.23	560.92	0.00	0.00

Annexure – I.9				
Restated Statement of Fixed Assets				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Tangible Assets				
<i>Furniture & Fittings</i>				
Gross Block - Opening Balance		-	-	-
Addition/Sale during the year		-	-	-
Gross Block - Closing Balance		-	-	-
Accumulated Depreciation - Opening Balance		-	-	-
Depreciation during the year		-	-	-
Accumulated Depreciation - Closing Balance		-	-	-
<i>Net Block</i>		-	-	-
<i>Computers, Printers & Other Accessories</i>				
Gross Block - Opening Balance	180.00	0.00	-	-
Addition/Sale during the year	0.00	180.00	-	-
Gross Block - Closing Balance	180.00	180.00	-	-
Accumulated Depreciation - Opening Balance	44.04	0.00	-	-
Depreciation during the year	28.50	44.04	-	-
Accumulated Depreciation - Closing Balance	72.55	44.04	-	-
<i>Net Block</i>	107.45	135.96	-	-
Total Net Block of Tangible Assets	107.45	135.96	-	-
B) Intangible Assets		-	-	-
C) Work-In-Progress		-	-	-

Annexure – I.10				
Restated Statement of Non - current Investments				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Nil	-	-	-	-
Total	-	-	-	-

Annexure – I.11				
Restated Statement of Long Term Loans & Advances				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Loans & Advances (Unsecured)	40793.25	42535.43	-	
Total	40793.25	42535.43	-	-

Annexure – I.12				
Restated Statement of Other Non-current Assets				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Nil	-	-	-	-
Total	-	-	-	-

Annexure – I.13				
Restated Statement of Inventories				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Work In Progress	-	-	-	-
Total	-	-	-	-

Annexure – I.14				
Restated Statement of Trade Receivables				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Debts outstanding for a period exceeding six months from the date they became due for payment				
Secured & Considered Good	13836.57	0.00	0.00	-
Other Receivables				
Unsecured & Considered Good	50374.60	82861.43	21264.04	-
Total	64211.17	82861.43	21264.04	-

Annexure – I.15				
Restated Statement of Cash and Cash Equivalents				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Cash In Hand	203.82	375.06	103.04	-
Balance With Bank (in Current Accounts)	500.31	3866.51	3240.95	-
Total	704.13	4241.57	3343.99	-

Annexure – I.16				
Restated Statement of Short Term Loans and Advances				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Loans and Advances to others Unsecured, Considered good				
Security Deposit	-	-	-	-
Loans and Advances	-	-	-	-
Total	-	-	-	-

Annexure – I.17				
Restated Statement of Other Current Assets				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Income Tax Paid for last Year	-	-	-	-
Interest Receivable	-	-	-	-
Trade Advances	29729.99	0.00		
TDS Receivable	163.14	121.19	-	-
Total	29893.13	121.19	-	-

Annexure –II.1				
Restated Statement of Revenue from operations				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Sales& Services				
- Domestic Sales	96131.44	177487.53	34889.89	-
- Export Sales	0.00	0.00	0.00	-
Total	96131.44	177487.53	34889.89	-

Annexure –II.2				
Restated Statement of Revenue from Other Income				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Any Other Income	140.15	81.28	-	-
Total	140.15	81.28	-	-

Annexure –II.3				
Restated Statement of Cost of Materials Consumed				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Opening Stock	0.00	0.00	0.00	-
Add: Purchase during the Years	86350.87	168027.05	33739.62	-
Less: Closing Stock	0.00	0.00	0.00	-
Cost of Material Consumed	86350.87	168027.05	33739.62	-

Annexure –II.4				
Restated Statement of Change in Inventory				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Work In Progress	-	-	-	-
Total	-	-	-	-

Annexure –II.5				
Restated Statement of Employees Benefit Expenses				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Salaries, Wages & Bonus	629.90	1395.75	393.80	-
Total	629.90	1395.75	393.80	-

Annexure –II.6				
Restated Statement of Other Expenses				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Agriculture Expenses	1131.25	850.00	189.02	0.00
Audit Fees	1.50	35.00	25.00	0.00
Bank Charges	0.00	0.53	0.05	2.47
Conveyance Charges	87.00	0.00	15.46	0.00
Diesel Expenses	75.04	0.00	95.47	0.00
Office Expenses	8.50	10.20	4.06	0.00
Rent Expenses	74.00	119.35	10.00	0.00
Consultancy Fees	209.60	11.80	0.00	0.00
Share Registrar Expenses	0.00	5.00	0.00	0.00
ROC Filing Fees	999.80	1569.50	0.00	0.00
NSDL / CDSL Charges	308.33	0.00	0.00	0.00
Gst Late Filing Fees	8.50	0.00	0.00	0.00
TDS Interest and Late Filing Fees	8.50	0.00	0.00	0.00
Miscellaneous Expenses	0.68	0.00	0.00	0.00
Total	2912.70	2601.38	339.06	2.47

Annexure –II.7				
Restated Statement of Financial Charges				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Interest On Secured Loan	-	-	-	-
Interest On Unsecured Loan	-	-	-	-
Total	-	-	-	-

Annexure –II.8				
Restated Statement of Provision For Taxation				
<i>(Rs. In Thousands, Unless mentioned otherwise)</i>				
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Current Tax	220.31	560.92	0.00	0.00
Deferred Tax	(1.80)	98.27	(14.19)	(0.64)

ANNEXURE –VII		
Statement of Capitalization, As Restated		
Particulars	Pre-Issue	Post Issue*
	30-09-2022	
Debt :		
Short Term Debt	-	-
Long Term Debt	201.00	201.00
Total Debt	201.00	201.00
Shareholders Funds		
Equity Share Capital	103167.60	163167.60
Reserves and Surplus	10680.91	100680.91
Less: Misc. Expenditure	-	-
Total Shareholders' Funds	113848.51	263848.51
Long Term Debt/ Shareholders' Funds	0.00	0.00
Total Debt / Shareholders Fund	0.00	0.00
* Assuming Full Allotment of IPO shares		

ANNEXURE –VIII				
Statement of Tax Shelter, As Restated				
Particulars	As At			
	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Profit Before Tax as per books of accounts (A)	6349.62	5500.59	417.41	(2.47)
-- Normal Tax rate	26.00%	26.00%	26.00%	26.00%
-- Minimum Alternative Tax rate	15.60%	15.60%	15.60%	19.24%
Permanent differences				
Disallowed expenses	8.50	1528.50	-	-
Prior Period Item				
Donation Disallowances	-	0.00	-	-
Add: Expenses relating to Exempt Income	1537.19	1481.25	34417.91	
Less: Exempt Income	(7054.86)	(5975.00)	(34889.89)	
Total (B)	(5509.17)	(2965.25)	(471.98)	0.00

Timing Differences				
Depreciation as per Books of Accounts	28.50	44.04	-	-
Depreciation as per Income Tax	21.60	72.00	-	-
Difference between tax depreciation and book depreciation	6.90	(27.96)	-	-
Other adjustments	0.00	0.00	-	-
Foreign income included in the statement	0.00	0.00	-	-
Total (C)	6.90	(27.96)	-	-
Net Adjustments (D = B+C)	(5502.26)	(2993.21)	(4,71,983)	-
Total Income (E = A+D)	847.36	2507.38	(54.57)	(2.47)
Brought forward losses set off (Depreciation)	0.00	350.01	0.00	0.00
Tax effect on the above (F)	0.00	91.00	0.00	0.00
Taxable Income/ (Loss) for the year/period (E+F)	847.36	2157.37	(54.57)	(2.47)
Tax Payable for the year/period	220.31	560.92	0.00	0.00
Tax payable as per MAT	132.19	336.55	0.00	0.00
Tax expense recognised	220.31	560.92	0.00	0.00
Tax payable as per normal rates or MAT (whichever is higher)	Income Tax	Income Tax	Income Tax	Income Tax

ANNEXURE –IX				
Statement of Related Parties & Transactions				
The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.				
Name of the key managerial personnel/Entity	Relationship			
Kaupilkumar H Shah	Director & CFO			
Shitalben K Shah	Director			
Priyanka K Gola	Director			
Zalakben C Gajjar	Company Secretary			
Note: Nilam V Makwana, Bhavna Shah, Shivangi Bipinchandra Gajjar are Independent Directors and not a part of KMP				
Transactions with Related Parties:				
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Remuneration paid				
Nilam V Makwana	0.00	40.00	0.00	0.00
Zalakben Gajjar	50.00	0.00	0.00	0.00
Total	50.00	40.00	0.00	0.00
Unsecured Loans Received				
Shitalben K Shah	0.00	75.00	0.00	0.00
Kaupilkumar Shah	0.00	175.00	51.00	0.00
Total	0.00	250.00	51.00	0.00

Unsecured Loans Repaid				
Kaupilkumar Shah	100.00	0.00	0.00	0.00
Total	100.00	0.00	0.00	0.00

ANNEXURE –X				
Statement of Dividends				
No Dividend Paid till Date				

ANNEXURE –XI				
Changes in the Significant Accounting Policies				
There have been no changes in the accounting policies of the company for the period covered under audit.				

ANNEXURE –XII				
Contingent Liabilities:				
There have been no any Contingent Liabilities as on date.				

OTHER FINANCIAL INFORMATION

ANNEXURE –VI				
Statement of Accounting & Other Ratios, As Restated				
				<i>(Rs. In Thousands, Unless mentioned otherwise)</i>
Particulars	30-09-2022	31-03-2022	31-03-2021	31-03-2020
Net Profit as Restated	6131.11	4841.39	431.60	(1.82)
Add: Depreciation	28.50	44.04	0.00	0.00
Add: Interest on Loan	0.00	0.00	0.00	0.00
Add: Tax Expense	218.52	659.19	(14.19)	(0.64)
EBITDA	6378.13	5544.63	417.41	(2.47)
EBITDA Margin (%)	6.63%	3.12%	1.20%	-
Net Worth as Restated	113848.51	107713.61	508.41	76.81
Return on Net worth (%) as Restated	5.39%	4.49%	84.89%	-2.37%
Equity Share at the end of year (in Nos.)	1,03,16,760	1,03,16,380	10,000	10,000
Weighted No. of Equity Shares	1,03,16,760	64,17,159	10,000	10,000
Basic & Diluted Earnings (Rs.) per Equity Share as Restated	0.59	0.75	43.16	(0.18)
Net Asset Value per Equity share as Restated	11.04	10.44	50.84	7.68
Current Assets (a)	94808.43	87224.19	24608.03	0.00
Current Liabilities (b)	21654.14	21673.70	24139.62	0.00
Current Ratio (a/b)	4.38	4.02	1.02	0.00
Note:-				
EBITDA Margin = EBITDA/Total Revenues				
Earnings per share (Rs.) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year				
Return on Net worth (%) = Restated Profit after taxation / Net worth x 100				
Net asset value/Book value per share (Rs.) = Net worth / No. of equity shares				
The Company does not have any revaluation reserves or extra-ordinary items.				
Earnings per share (Rs.) and Return on Net worth (%) for the period ended 30-09-2022 is not annualised				

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and for the H1 Financial Year 2023 and years ended March 31, 2022, 2021 and 2020 prepared in accordance with the Companies Act, 1956 and Companies Act, 2013 to the extent applicable and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in "Restated Financial Information" beginning on page 118 of this Draft Prospectus.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors" and "Forward-Looking Statements" beginning on pages 18 and 14 respectively, of this Draft Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

BUSINESS OVERVIEW

Our Company was originally incorporated as "Bhagya Agro-Care Private Limited" on April 02, 2013 under the Companies Act, 1956 with a Certificate of Incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Thereafter a fresh certificate of incorporation consequent upon change of name from "Bhagya Agro-Care Private Limited" to "City Crops Agro Private Limited" was issued by the Registrar of Companies, Ahmedabad on December 06, 2021. Subsequently our Company was converted into a Public Limited Company and a fresh certificate of incorporation consequent upon conversion of the Company to a public limited company in the name of the "City Crops Agro Limited" was granted by the Registrar of Companies, Ahmedabad on December 27, 2021.

The Corporate Identification Number of our Company changed to U51200GJ2013PLC074296.

Our Company is engaged in the business of trading of products like seeds, agricultural produces mainly Rice, Wheat, Onions, Potato, Tomato, Isabgol, and Pulses. We have an integrated online platform which includes products such as cereals, oil seeds, pulses, and vegetables. The company is also engaged in contract manufacturing for agricultural products such as Cucumber, Onion and Castor.

Our Promoters have been instrumental in the growth of the business and actively advised on corporate strategy and planning. With a collective experience of over a decade in the agricultural industry, our promoters with their vast experience have handled various areas of business including strategic planning and implementation, procurement, storage, marketing and has led institutions across business development, strategy as well as operations over the period of years.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e., March 31, 2022 as disclosed in this Draft Prospectus, there are no circumstances that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors have decided to get their equity shares listed on SME Platform of BSE Limited and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on August 19, 2022, proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Annual General Meeting held on August 29, 2022 authorized the Initial Public Offer.
3. The shareholders of the Company have, pursuant to Section 61 of the Companies Act 2013, by a resolution passed in the Annual General Meeting held on August 29, 2022 authorized to increase the Authorised Capital from existing 12.00 crores to 25.00 crores.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATION

Our business is subject to various risks and uncertainties, including those discussed in the chapter titled "Risk Factors" on page 18 of the Draft Prospectus.

Our Company's future results of operations could potentially be affected by the following factors:

- Our dependence on few clients for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Our ability to retain and hire key employees or maintain good relations with our workforce;
- Impact of any reduction in sales of our services/products;
- Rapid Technological advancement and inability to keep pace with the change;
- Increased competition in industries/sector in which we operate;
- General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the Sectors in which we operate;
- Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
- Any adverse outcome in the legal proceedings in which we/our promoters may be involved;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and,
- Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

SIGNIFICANT ACCOUNTING POLICIES:

For Significant accounting policies please refer “*Significant Accounting Policies to the Restated Financial Statements*”, under Chapter titled “*Restated Financial Information*” beginning on page 118 of the Draft Prospectus.

SUMMARY OF THE RESULTS OF OPERATION:

The following table sets forth select financial data from restated profit and loss accounts for the H1 FY2023 and financial year ended on 31st March 2022, 31st March 2021 and 31st March 2020 and the components of which are also expressed as a percentage of total income for such periods.

(Rs. in Lacs)

Particulars	H1 FY23	% of Total Revenue	March 31 st , 2022	% of Total Revenue	March 31 st , 2021	% of Total Revenue	March 31 st , 2020
Revenue:							
Revenue from Operations	961.31	99.85%	1774.88	99.95%	348.90	100.00%	0.00
Other income	1.40	0.15%	0.81	0.05%	0.00	0.00%	0.00
Total revenue	962.72	100%	1775.69	100.00%	348.90	100.00%	0.00
Expenses:							
Cost of Material Consumed	863.51	89.70%	1680.27	94.63%	337.40	96.70%	0.00
Change in Inventories	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Employees Benefit Expenses	6.30	0.65%	13.96	0.79%	3.94	1.13%	0.00
Other expenses	29.13	3.03%	26.01	1.46%	3.39	0.97%	0.02
Total Expenses	898.93	93.37%	1720.24	96.88%	344.72	98.80%	0.02
Profit Before Interest, Depreciation and Tax	63.78	6.63%	55.45	3.12%	4.17	1.20%	(0.02)
Depreciation & Amortisation Expenses	0.29	0.03%	0.44	0.02%	0.00	0.00%	0.00
Profit Before Interest and Tax	63.50	6.60%	55.01	3.10%	4.17	1.20%	(0.02)
Finance Cost	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00
Profit before tax	63.50	6.60%	55.01	3.10%	4.17	1.20%	(0.02)
Tax expense :							
Provision for Taxation	2.20	0.23%	5.61	0.32%	0.00	0.00%	0.00
Provision for Deferred Tax	(0.02)	0.00%	0.98	0.06%	(0.14)	-0.04%	(0.01)
Total Tax Expense	2.19	0.23%	6.59	0.37%	(0.14)	-0.04%	(0.01)
Profit /(Loss) for the period from continuing operations	61.31	6.37%	48.41	2.73%	4.32	1.24%	(0.02)

MAIN COMPONENTS OF PROFIT AND LOSS ACCOUNT

Income

Our total income comprises of revenue from core business operations and other income.

Revenue from operations

The Revenue from operations consist of revenue from trading of agricultural commodities. Our revenue from operations as a percentage of total revenue was 99.85%, 99.95%, 100% for H1 FY23, FY22 & FY21 respectively.

Other Income

Other Income as a percentage of total revenue was 0.15%, 0.05% & 0.00% for H1 FY23, FY22 & FY21 respectively.

Expenditure

Our total expenditure primarily consists of Cost of material consumed, Changes in inventories, Employee Benefit expenses & other expenses which is 93.37%, 96.88% and 98.80% of total revenue for H1 FY23, FY22 and FY21 respectively.

Cost of Material consumed: Cost of Materials includes purchases for the year.

Changes in Inventories: Changes in inventories includes work in process goods.

Employee Benefit Expenses: Employee Benefit expenses include salaries, wages & Bonuses.

Other Expenses: Other Expenses includes Agricultural expenses, Audit fees, Bank charges, Conveyance charges, Diesel expenses, Office expenses, Rent expenses, Consultancy fees, Share registrar expenses, ROC filing fees, NSDL/CDSL Charges, GST late filing charges, TDS Interest & late filing fees and miscellaneous expenses.

Depreciation & Amortisation: Depreciation & Amortisation includes Depreciation on Tangible assets.

SIX MONTHS ENDED 30TH SEPTEMBER 2022

The total revenue was Rs.962.72 lakhs for six months ended 30th September 2022.

Revenue from Operations

Revenue from operations contributed Rs.961.31 lakhs for six months period or 99.85% of total revenue for this period.

Other Income

Other Income contributed Rs.1.40 lakhs for six months ended 30th September, 2022 or 0.15% of total revenue for this period.

Total Expenses stood at Rs.898.83 lakhs or 93.37% of Total Income for Six months Ended 30th September, 2022.

Cost of Material Consumed

Cost of Material consumed contributed to Rs.863.51 lakhs or 89.70% of Total Revenue for Six months Ended 30th September, 2022.

Changes in Inventories

Changes in Inventories contributed to Rs.0.00 lakhs or 0.00% of Total revenue for Six months Ended 30th September, 2022.

Employee Benefit Expense

Employee Benefit Expense contributed to Rs.6.30 lakhs or 0.65% of Total Revenue for Six months Ended 30th September, 2022.

Other Expenses

Other Expenses contributed Rs.29.13 lakhs or 3.03% of Total Revenue for Six months Ended 30th September, 2022.

Depreciation & Amortisation

Depreciation & Amortisation contributed Rs.0.29 lakhs or 0.03% of Total revenue for Six months Ended 30th September, 2022.

Finance Cost

Finance cost contributed Rs.0.00 lakhs or 0.00% of Total revenue for Six months Ended 30th September, 2022.

Tax Expenses

Tax Expense contributed Rs.2.20 lakhs or 0.23% of Total revenue for Six months Ended 30th September, 2022.

Profit after Tax

Profit after Tax stood at Rs.61.31 lakhs or 6.37% of Total revenue for Six months Ended 30th September, 2022.

Other key ratios:

	H1 FY23
Return on Net worth %	5.39%
Current Ratio	4.38

Return on Net worth

This is defined as Net profit after tax divided by Net worth, based on the Restated consolidated summary statements.

Current Ratio

This is defined as total current assets divided by total current liabilities, based on the Restated Consolidated Summary Statements.

FINANCIAL YEAR 2021-22 COMPARED WITH 2020-21

The total Income for FY2021-22 has increased by 408.94% from Rs.348.90 lakhs for FY 2020-21 to Rs.1,775.69 lakhs for FY 2021-22.

Revenue from Operations

Revenue from operations has increased by 408.71% from Rs.348.90 lakhs for FY 2020-21 to Rs.1,774.88 lakhs for FY 2021-22. The Increase was mainly due to revival of business post-covid lockdown.

Other Income

Other Income increased from Rs.0.00 lakhs for FY 2020-21 to Rs.0.81 lakhs for FY 2021-22.

Cost of Materials Consumed

Cost of Materials consumed increased by 398.01% from Rs.337.40 lakhs for FY 2020-21 to Rs.1680.27 lakhs for FY 2021-22. The substantial increase in the cost of materials consumed was due to increase in the purchases for the year.

Employee Benefit Expenses

Employee Benefit Expense has been increased by 254.43% from Rs.3.94 lakhs for FY 2020-21 to Rs.13.96 lakhs for FY 2021-22 mainly due to increase in Salary, wages & Bonuses.

Other Expenses

Other Expenses has been increased by 667.23% from Rs.3.39 lakhs for FY 2020-21 to Rs.26.01 lakhs for FY 2021-22 primarily due to Agricultural Expenses, Conveyance charges, Diesel charges, Rent Expenses and ROC filing fees.

Depreciation & Amortisation

Depreciation & Amortisation expense has increased from Rs.0.00 lakhs to for FY 2020-21 to Rs.0.44 lakhs for FY 2021-22. The Increase was primarily due to increase in investment in fixed assets.

Profit before tax

Profit before tax has increased by 1,217.79% from Rs.4.17 lakhs for FY 2020-21 to Rs.55.01 lakhs for FY 2021-22.

Tax Expense

Tax Expense has increased by Rs.6.72 lakhs from (Rs.0.14) lakhs for FY 2020-21 to Rs.6.59 lakhs for FY 2021-22. The increase was primarily due to increase in profit before tax.

Profit after tax

Profit after tax has increased by 1021.74% from Rs.4.32 lakhs for FY 2020-21 to Rs.48.41 lakhs for FY 2021-22.

Other key ratios:

	FY2022	FY2021
Return on Net worth %	4.49%	84.89%
Current Ratio	4.02	1.02

Return on Net worth

This is defined as Net profit after tax by Net worth, based on the Restated consolidated summary statements.

Current Ratio

This is defined as total current assets by total current liabilities, based on the Restated Consolidated Summary Statements.

FINANCIAL YEAR 2020-21 COMPARED WITH 2019-20

The total Income has increased from Rs.0.00 lakhs for FY 2019-2020 to Rs.348.90 lakhs for FY 2020-21.

Revenue from operations

Revenue from operations has increased from Rs.0.00 lakhs for FY 2019-2020 to Rs.348.90 lakhs for FY 2020-21. Increase in the revenue from operations was primarily due to increase in sales as the company commenced its revenue generation.

Other Income

Other Income has been stable from Rs.0.00 lakhs for FY 2019-20 to Rs.0.00 for FY 2020-21.

Cost of Material consumed

Cost of Material consumed has increased from Rs.0.00 lakhs for FY 2019-20 to Rs.337.40 lakhs for FY 2020-21 primarily due to increases in purchases during the years.

Changes in Inventories

Changes in Inventories has been stable from Rs.0.00 lakhs for FY 2019-20 to Rs.0.00 lakhs for FY 2020-21.

Employee Benefit Expense

Employee Benefit Expense has increased from Rs.0.00 lakhs for FY 2019-20 to Rs.3.94 lakhs for FY 2020-21 primarily due to increase in salaries, wages & bonuses.

Other Expenses

Other Expenses has increased from Rs.0.02 lakhs for FY 2019-20 to Rs.3.39 lakhs for FY 2020-21 primarily due to increase in Agricultural expenses, Audit fees, conveyance charges, Diesel expenses, Rent expenses.

Depreciation & Amortisation

Depreciation & Amortisation has been stable from Rs.0.00 lakhs for FY 2019-20 to Rs.0.00 lakhs for FY 2020-21 primarily due to no investments in fixed Assets for the year.

Profit before Tax

Profit before tax has increased from (Rs.0.02) lakhs for FY 2019-20 to Rs.4.17 lakhs for FY 2020-21.

Tax Expense

Tax expense has decreased from (Rs.0.01) lakhs for FY 2019-20 to (Rs.0.14) lakhs for FY 2020-21 primarily due to provisions of deferred taxes.

Profit after Tax

Profit after tax has increased from (Rs.0.02) lakhs for FY 2019-20 to Rs.4.32 lakhs for FY 2020-21.

	FY2021	FY2020
Return on Net worth %	84.89%	-2.37%
Current Ratio	1.02	0.00

Return on Net worth

This is defined as Net profit after tax by Net worth, based on the Restated consolidated summary statements.

Current Ratio

This is defined as total current assets by total current liabilities, based on the Restated Consolidated Summary Statements.

CASH FLOW

The table below summaries our cash flows from our Restated Consolidated Financial Information for H1 FY23 financial years ended on 2022, 2021, and 2020:

Particulars	(Rs. in Lakhs)			
	H1 FY23	March 31st, 2022	March 31st, 2021	March 31st, 2020
Net cash (used in)/ Generated from operating activities	(48.43)	(591.20)	32.93	(0.01)
Net cash (used in)/ Generated from investing activities	16.02	(427.97)	0.00	0.00
Net cash (used in)/ Generated from finance activities	(2.96)	1028.14	0.51	0.00

Cash flow from operating activities:

Six months Ended 30th September, 2022

The Net cash (used in)/ Generated from operating activities is (Rs.48.43) lakhs which consisted profit before tax of Rs.63.50 lakhs as adjusted primarily for:

- Depreciation and Amortisation of non- current Assets of Rs.0.29 lakhs.
- Interest & Other Income of Rs.1.40 lakhs.
- Working capital changes primarily due to decrease in trade & other receivables of Rs.186.50 lakhs, Decrease in Trade & other payables of Rs.4.82 lakhs, Increase in other current liabilities of Rs.2.42 lakhs and Increase in other current assets Rs.297.30 lakhs.

For the year ended 31st March, 2022

The Net cash (used in)/ Generated from operating activities is (Rs.591.20) lakhs which consisted profit before tax of Rs.55.01 lakhs as adjusted primarily for:

- i. Depreciation & Amortisation of non-current Assets of Rs.0.44 lakhs.
- ii. Interest & other Income of Rs.0.81 lakhs.
- iii. Working Capital changes primarily due to Increase in Trade & other receivables of Rs.615.97 lakhs, Decrease in Trade payables of Rs.31.32 lakhs and Increase in other current liabilities Rs.1.05 lakhs.

For the year ended 31st March, 2021

The Net cash (used in)/ Generated from operating activities is Rs.32.93 lakhs which consisted profit before tax of Rs.4.17 lakhs as adjusted primarily for:

- i. Working capital changes primarily due to Increase in trade & other receivables of Rs.212.64 lakhs, Increase in trade payables of Rs.241.15 lakhs and increase in other current liabilities Rs.0.25 lakhs.

For the year ended 31st March, 2020

The Net cash (used in)/ Generated from operating activities is (Rs.0.01) lakhs which consisted profit before tax of (Rs.0.02) lakhs as adjusted primarily for:

- i. Working capital changes primarily due to decrease in other Assets of Rs.0.02 lakhs.

Cash flow from Investing Activities:

Six months Ended 30th September, 2022

The Net cash (used in)/ Generated from Investing Activities is Rs.16.02 lakhs primarily due to decrease in Long term loans & Advances of Rs.17.42 lakhs and Interest & other Income of (Rs.1.40) lakhs.

For the year ended 31st March, 2022

The Net cash (used in)/ Generated from Investing Activities is (Rs.427.97) lakhs primarily due to purchase of fixed assets of Rs.1.80 lakhs, Increase in long term loans & Advances of Rs.425.35 lakhs and Interest & other income of (Rs.0.81) lakhs.

For the year ended 31st March, 2021

The Net cash (used in)/ generated from investing activities is Rs.0.00 lakhs primarily due to no investments or sale of assets.

For the year ended 31st March, 2020

The Net cash (used in)/ generated from investing activities is Rs.0.00 lakhs primarily due to no investments or sale of assets

Cash flow from Financing Activities:

Six months ended 30th September, 2022

The Net cash (used in)/ generated from financing activities is (Rs.2.96) lakhs primarily due to proceeds from share issued including premium of Rs.0.04 lakhs and repayments of long term borrowings of Rs.3.00 lakhs.

For the year ended 31st March, 2022

The Net cash (used in)/ generated from financing activities is Rs.1028.14 lakhs primarily due to proceed from share issued including premium of Rs.1023.64 and proceeds of long term borrowings of Rs.4.50 lakhs.

For the year ended 31st March, 2021

The Net cash (used in)/ generated from financing activities is Rs.0.51 lakhs primarily due to proceeds of long term borrowings of Rs.0.51 lakhs.

For the year ended 31st March, 2020

The Net cash (used in)/ generated from financing activities is Rs.0.00 lakhs primarily due to no financing activities.

OTHER FACTORS

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.
2. **Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations. However, Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.
3. **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 18 in the 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. **Expected Future changes in relationship between costs and revenues**

Our Company’s future costs and revenues will be determined by demand/supply situation, Government Policies.
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**

Changes in revenue in the last financial years are as explained in the part “Comparison of the financial performance” of above.
6. **Total turnover of each major industry segment in which our Company operates**

The Company is mainly engaged in trading of Agri Products. Therefore, there are no separate reportable segments.
7. **Status of any publicly announced New Products or Business Segment**

Our Company has not announced any new product other than disclosed in this Draft Prospectus.
8. **Seasonality of business**

Our Company’s business is not seasonal in nature as our company deals in Agri Products.
9. **Competitive conditions**

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in chapter titled “*Our Business*” on page 79 of this Draft Prospectus.
10. **Details of material developments after the date of last balance sheet i.e., March 31, 2022.**

Except as mentioned in this Draft Prospectus, no material circumstances have arisen since the date of last financial statement until the date of filing the Draft Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.

STATEMENT OF FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on September 30, 2022 together with a brief description of certain significant terms of such financing arrangements.

Nature of Borrowing	Amount (Rs. in Thousands)
Secured Borrowings	Nil
Unsecured Borrowing	201.00
Total	201.00

A. Details of Secured Loans- Nil

B. Details of Unsecured Loans-Loan from Directors Rs. 2,01,000/-

SECTION VIII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

This is to certify that, except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions or proceedings against our Company, our Directors, our Promoters and Entities Promoted by our Promoters before any judicial, quasi-judicial, arbitral or administrative tribunals or any disputes, tax liabilities, non-payment of statutory dues, over dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/ civil/ any other offences (including past cases where penalties may or may not have been imposed and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act, 1956 and/or paragraph (i) of Part I of Schedule V of the Companies Act, 2013) against our Company, our Directors, our Promoters and the Entities Promoted by our Promoters, except the following:

Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, the Promoters, directors, Promoter Group companies and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company. Neither our Company nor its Promoters, members of the Promoter Group, Subsidiaries, associates and Directors have been declared as willful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.

Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

I. CONTINGENT LIABILITIES OF OUR COMPANY:

a) Classification of Contingent liabilities:

- Claims against the company not acknowledged as debts	Nil
- Guarantees given in favor of company	Nil
- Other money for which the company is contingently liable.	Nil

b) Classification of Commitments into:

- Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil
- Uncalled liability on shares and other investments partly paid	Nil
- Other commitments (specifying nature)	Nil

II. LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

1. Litigation Involving Criminal matters: **NIL**
2. Litigation Involving Civil matters: **NIL**
3. Litigation Involving Actions by Statutory/Regulatory Authorities: **NIL**
4. Litigation involving Tax Liabilities
 - a) Direct Tax Liabilities: **NIL**
 - b) Indirect Taxes Liabilities: **NIL**
5. Other Pending Litigations: **NIL**

B. CASES FILED BY OUR COMPANY

1. Litigation Involving Criminal matters: NIL
2. Litigation Involving Civil matters: NIL
3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
4. Other Pending Litigations: NIL

III. LITIGATION INVOLVING OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Litigation Involving Criminal matters: NIL
2. Litigation Involving Civil matters: **NIL**
3. Litigation Involving Actions by Statutory/Regulatory Authorities: **NIL**
4. Litigation involving Tax Liabilities
 - a) Direct Tax Liabilities: **NIL**
 - b) Indirect Taxes Liabilities: **NIL**
5. Other Pending Litigations: **NIL**

B. LITIGATION FILED BY OUR DIRECTORS

1. Litigation Involving Criminal matters: NIL
2. Litigation Involving Civil matters: NIL
3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
4. Other Pending Litigations: NIL

IV. LITIGATION INVOLVING OUR PROMOTERS AND PROMOTER GROUP

A. LITIGATION AGAINST OUR PROMOTERS AND PROMOTER GROUP

1. Litigation Involving Criminal matters: **NIL**
2. Litigation Involving Civil matters: **NIL**
3. Litigation Involving Actions by Statutory/Regulatory Authorities: **NIL**
4. Litigation involving Tax Liabilities
 - a) Direct Tax Liabilities: **NIL**
 - b) Indirect Taxes Liabilities: **NIL**
5. Other Pending Litigations: **NIL**

B. LITIGATION FILED BY OUR PROMOTERS AND PROMOTER GROUP

1. Litigation Involving Criminal matters: NIL
2. Litigation Involving Civil matters: NIL
3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
4. Other Pending Litigations: NIL

V. LITIGATION INVOLVING OUR GROUP ENTITIES

1. Litigation Involving Criminal matters: **NA**
2. Litigation Involving Civil matters: **NA**
3. Litigation Involving Actions by Statutory/Regulatory Authorities: **NA**
4. Litigation involving Tax Liabilities
 - a) Direct Tax Liabilities: **NA**
 - b) Indirect Taxes Liabilities: **NA**
5. Other Pending Litigations: **NA**

VI. Penalties imposed in past cases for the last five years: NIL

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on September 30, 2022:

Rs. in thousands

Name	Balance as on September 30, 2022
Total Outstanding dues to Micro and Small & Medium Enterprises (MSME)	-
Total Outstanding dues to Creditors other than MSME#	20480.59

As per restated audited balance sheet.

Outstanding Litigations involving the Company or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

Except as described above, as on date of this Draft Prospectus, there are no outstanding litigations involving the Company, or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 years.

Pending proceedings initiated against our Company for economic offences.

There are no pending proceedings initiated against our Company for economic offences.

Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous Companies enactment in the last 5 years against our Company.

There are no inquiries, investigations etc. instituted under the Companies Act or any previous Companies enactment since incorporation against our Company.

Material Fraud against our Company in the last five years

There has been no material fraud committed against our Company since incorporation.

Fines imposed or compounding of offences for default

There are no fines imposed or compounding of offences for default or outstanding defaults.

Non-Payment of Statutory Dues

Except as disclosed in the chapter titled "Financial Statements as Restated" beginning on page 118 there are have been no defaults or outstanding defaults in the payment of statutory dues payable under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

Material Developments occurring after last balance sheet date

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page138 of this Draft Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT AND OTHER APPROVALS

GOVERNMENT & OTHER KEY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/regulatory authority, or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

A. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on August 19, 2022 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Annual General Meeting held on August 29, 2022 authorized the Issue.
3. Our Company has received an in-principle approval from the BSE dated [●] for listing of Equity Shares issued pursuant to the Issue.
4. The International Securities Identification Number ("ISIN") of our Company is "INE0M7501019"

B. APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Certificate of Incorporation in the name of "Bhagya Agro-Care Pvt. Ltd."	RoC- Ahmedabad, Dadra and nagar Havelli	U51200GJ2013PTC074296	02/04/2013	Valid until Cancelled
2	Fresh Certificate of Incorporation upon Change in Name to City Crops Agro Limited	RoC- Ahmedabad, Dadra and nagar Havelli	U51200GJ2013PTC074296	06/12/2021	Valid until Cancelled
3	Certificate of Incorporation pursuant to Conversion of Private Limited Company into Public Limited Company	RoC- Ahmedabad, Dadra and nagar Havelli	U51200GJ2013PLC074296	27/12/2021	Valid until Cancelled

C. BUSINESS RELATED APPROVALS


Approvals/registration valid

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Department	AAFBC4852P	11/02/2022*	Valid until Cancelled
2.	Tax Deduction Account No. (TAN)	Income Tax Department	AHMC07547B	29/03/2022*	Valid until Cancelled
3.	Goods & Services Tax (GST) Gujarat	Superintendent, State Goods and Services Tax	24AAFBC4852P1 ZB	29/03/2022	Valid until Cancelled
4.	Udyog Aadhaar MSME Registration Certificate	Ministry of Micro, Small & Medium Enterprises	UDYAM-GJ-01-0159872	04/05/2022	Valid until Cancelled

5.	Shop & Establishment Act Registration	Ahmedabad Municipal Corporation	PII/VSTR/2900024 /0247546	04/01/2021	Valid until Cancelled
6.	Professional tax Registration	Ahmedabad Municipal Corporation	PEC010725003204	01/04/2022	Valid until Cancelled

* Revised issued upon change in Name

D. INTELLECTUAL PROPERTY REGISTRATION

Sr. No.	Logo	Class	Trademark Type	Owner of Trademark	Application No.	Date of application	Status
1.		31	Device	City Crops Agro Ltd.	5469378	31/05/2022	Objected

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

1. The Fresh Issue of Equity Shares in terms of this Draft Prospectus has been authorized by a resolution by the Board of Directors passed at their meeting held on August 19, 2022 under Section 62(1)(c) of the Companies Act 2013 and subject to the approval of the members and such other authorities as may be necessary.
2. The Fresh Issue of Equity Shares in terms of this Draft Prospectus has been authorized by the shareholders by special resolution at the Annual General Meeting held on August 29, 2022 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013.
3. Our Company has received In-principal approval from BSE vide their letter dated [●] to use the name of BSE in this Draft Prospectus for listing of the Equity Shares on SME Platform of BSE. BSE Limited is the Designated Stock Exchange.
4. Our Board has approved the Draft Prospectus through its resolution dated March 09, 2023.

Confirmation:

1. Our Company, our Promoters, Promoter Group, our directors, person(s) in control of the promoter or our Company have not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.
2. Our Company, our Promoters, Promoters' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
3. None of our Directors are in any manner 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.
4. None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.
5. 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 any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other regulatory or government authority.
6. Neither our Company, nor our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a willful defaulter or 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 per details provided under chapter titled, "Outstanding Litigations and Material Developments" beginning on page no.147 of this Draft Prospectus.
7. Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations.

Eligibility for the Issue

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

1. Neither our Company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
2. Neither our promoters, nor any directors of our company are a promoter or director of any other company which is debarred from accessing the capital market by the Board.
3. Neither our Company, nor our Promoters, nor our directors, are Wilful Defaulters or Fraudulent Borrowers.
4. Neither our Promoter nor any of our directors is declared as Fugitive Economic Offender.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital will be more than ten crores and upto twenty-five crore rupees, and we may hence, issue Equity Shares to the public and propose to list the same on the SME Platform of BSE Ltd".

In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled the eligibility criteria for SME Platform of BSE Limited, which are as under:

1. **Incorporation:** Our Company was incorporated under the Companies Act, 1956.
2. **Post Issue Paid up Capital:** The post issue paid up capital of the company (face value) will be Rs. 16.31 crores which is lower than the threshold capital of Rs. 25 crores.
3. **Net-worth:** As per the restated financial statements, the net-worth of the company is Rs. 11.38 Crores as on September 30, 2022 which fulfils the criteria of the Company having a positive net-worth.
4. **Track Record:** Our Company was incorporated in the year 2013 and has a track record of more than 3 years.

Further, we also have positive cash accruals (earnings before depreciation and tax) in two of the last three years:

Our company is having positive cash accruals, details are mentioned as below:

(In Thousands)

Particulars	September 30, 2022	F.Y. 2021-22	F.Y. 2020-21	F.Y. 2019-20
Total Turnover	96131.44	177487.53	34889.89	-
Cash Accruals (Earnings before Depreciation and Tax) as per restated financials	6237.97	5463.35	417.41	(2.47)

5. **Website:** Our Company has a live and operational website i.e., www.citycropagro.in/
6. **Facilitate trading in demat securities and enter into an agreement with both the depositories:** Our Company shall mandatorily facilitate trading in demat securities and has entered into an agreement with both the Depositories. Our Company has entered into a Tripartite Agreement with CDSL on July 5, 2022 and with NSDL on June 10, 2022.
7. **No change in the promoters of the company in preceding one year from date of filing the application:** There has been no change in the Promoter(s) of our Company in the preceding one year from the date of filling application to BSE SME.
8. **Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).**
9. **There is no winding up petition against our Company, which has been admitted by the Court or a liquidator has not been appointed.**

We further confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottees in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be 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.
3. In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar of Companies.
4. However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The Board (SEBI) shall not issue any observation on the offer document.
5. Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, 2018 the Lead Manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.
6. Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the Draft Prospectus will be displayed from the date of filing in terms of sub-regulation (1) on the website of the Board, The Lead Manager and the SME Platform of BSE.

7. Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of this Draft Prospectus and prospectus shall also be furnished to the Board in a soft copy.
8. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated February 09, 2023 with the Lead Manager and will appoint a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE Ltd.

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.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- a) The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform. BSE is the Designated Stock Exchange.
- b) Our Company has entered into a Tripartite agreement dated June 10, 2022 with NSDL and July 05, 2022 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- c) The entire pre-Issue share capital of our Company are fully paid-up and the Equity Shares proposed to be issued pursuant to this IPO is fully paid-up.
- d) The entire Equity Shares held by the Promoters are in dematerialized form.
- e) Since the stated objects of the Issue are proposed to be entirely financed by the Net Proceeds of the Issue, thus, we are not required to make any firm arrangements of finance through verifiable means towards 75% of the stated means of finance excluding the amount to be raised through the proposed Issue, as required under Regulation 230(1)(e) of the SEBI (ICDR) Regulations.
- f) Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, TURNAROUND CORPORATE ADVISORS PRIVATE LIMITED HAS FURNISHED TO SEBI AND STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED [●], 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR) REGULATIONS 2018 WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI ICDR REGULATION, 2018.

THE FILING OF THIS ISSUE DOCUMENT 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 OFFER DOCUMENT.

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 the advertisements or any other material issued by or at our Company's instance and that anyone placing reliance on any other source of information would be doing so at his or her own risk.

CAUTION

The LM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the LM Turnaround Corporate Advisors Private Limited and our Company on February 09, 2023 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, LM and our Company.

All information shall be made available by our Company and the LM 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 LM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters 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 Underwriters 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 the Equity Shares in the Issue.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs. 2,500.00 Lakh and pension funds with a minimum corpus of Rs. 2,500.00 Lakh, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an Issue to sell or an invitation to subscribe for Equity Shares Issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Ahmedabad, Gujarat, India only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED

As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE). BSE Limited ("BSE") has vide its letter dated [●] given permission to "City Crop Agro Limited" to use its name in the offer document as the Stock Exchange on whose Small and Medium Enterprises platform ("SME platform") the company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this company. BSE does not in any manner: -

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer documents; or
- ii. warrant that this company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this company, its promoters, its management or any scheme or project of this company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the company and investors are informed to take the decision to invest in the equity shares of the company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the company is determined by the company in consultation with the Merchant Banker(s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The company has chosen the SME platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and courts exclusively situated in Ahmedabad.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

LISTING

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE Limited. Our Company has obtained In-principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of BSE Limited.

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall return through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchange rejecting the application for listing or trading without any interest.

If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every Director of the Company who is officer in default shall, on and from expiry of four (4) days, be jointly and severally liable to repay such application money, with interest at the rate of fifteen per cent per annum (15% p.a.).

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within Six (6) Working Days of the Issue Closing Date.

FILING

The Draft Prospectus is being filed with BSE Limited, at P.J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra.

After getting in-principal approval from BSE, a copy of the prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Ahmedabad, Gujarat.

A copy of the prospectus shall be filed with SEBI immediately upon filing of the Offer document with Registrar of Companies in term of Regulation 246 of the SEBI (ICDR) Regulations, 2018. However, SEBI shall not issue any observation on the prospectus.

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 to action under Section 447 of the Companies, Act 2013.

CONSENTS

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Key Managerial Personnel, Our Peer Review Auditor, (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities shall be obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Draft Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Draft Prospectus for filing with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations 2018, M/s.V S S B & Associates (121356W), Chartered Accountant, our Statutory Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on "Statement of Tax Benefits" relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus for filling with Roc.

EXPERTS OPINION

Except for the reports in the chapters "Statement of Possible Tax Benefits" and "Restated Financial Information" on page no 62 and page no. 118 of this Draft Prospectus from the Peer Review Auditors and Statutory Auditor respectively; our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS

Except as stated under chapter titled "Capital Structure" beginning on page no. 44 of this Draft Prospectus our Company has not undertaken any previous public or rights issue. Further, we are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES IN LAST 5 YEARS

Since this is the initial public Issuing of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED GROUP-COMPANIES / SUBSIDIARIES/ ASSOCIATES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three year except as mentioned in this Draft Prospectus. This is the initial public Issuing of our Company's Equity Shares

PERFORMANCE VIS-A-VIS OBJECTS–PUBLIC/RIGHT ISSUE OF OUR COMPANY

Except as stated under chapter titled “Capital Structure” beginning on page 44 of this Draft Prospectus our Company has not undertaken any previous public or rights issue.

PERFORMANCE VIS-A-VIS OBJECTS - LAST ISSUE OF LISTED SUBSIDIARIES/LISTED PROMOTERS

We don't have any listed company under the same management or any listed subsidiaries or any listed promoters as on date of this Draft Prospectus.

OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES OR ANY OTHER CONVERTIBLE INSTRUMENTS ISSUED BY OUR COMPANY

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

OPTION TO SUBSCRIBE

Equity Shares being issued through the Draft Prospectus can be applied for in dematerialized form only.

STOCK MARKET DATA OF THE EQUITY SHARES

This being an initial public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Company has appointed “ Skyline Financial Services Private Limited” as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company.

The Agreement dated August 29, 2022 amongst the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or the collection center of the SCSBs where the Application Form was submitted by the ASBA Applicants in ASBA account or UPI ID linked bank account number in which the amount equivalent to the Bid Amount was blocked. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

The Applicant should give full details such as name of the sole/first Applicant, Application Form number, Applicant DP ID, Client ID, Bank Account No./UPI ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of

complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Zalakben Chintan Gajjar, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Zalakben Chintan Gajjar
Company Secretary & Compliance Officer
City Crop Agro Limited
A-208, Titanium City Centre
Near Sachin Tower, 100 Ft Ring Road, Satellite
Ahmedabad, Gujarat – 380015, India
Tel No: +91 9428714136
Email: cs@citycropagro.in
Website: www.citycropagro.in

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY:

We don't have any listed company under the same management or any listed subsidiaries or any listed promoters.

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

The Company has not sought for any exemptions from complying with any provisions of securities laws.

PRICE INFORMATION OF PAST ISSUES HANDLED BY THE LEAD MANAGER

Table 1 - Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Turnaround Corporate Advisors Private Limited

S. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- change in closing price [+/- % change in closing benchmark] 30 th calendar days from listing	+/- change in closing price [+/- % change in closing benchmark] 90 th calendar days from listing	+/- change in closing price [+/- % change in closing benchmark] 180 th calendar days from listing
1.	Adishakti Loha and Ispat Limited	2.002	11.00	October 13, 2021	12.00	-12.02% (19.97%)	-13.16% (152.33%)	-34.12%^ (92.41%)

Note:

1. The BSE SME has been considered as the Benchmark Index
 2. The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 30, 90 and 180 calendar days.
 3. In case 30th/90th/180th day is not a trading day, closing price on BSE of the next trading day has been considered
 4. In case 30th/90th/180th days, scrip is not traded then last trading price has been considered.
- ^ Since there is no trading in the shares of Adishakti Loha and Ispat Limited on 180th calendar days from listed day which is April 11, 2022, we have considered the closing price of last trading day in the shares of Adishakti Loha and Ispat Limited which is April 07, 2022.

Table 2 - Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Turnaround Corporate Advisors Private Limited

Financial Year	Total No. of IPOs	Total amount of funds raised (Rs. In Cr)	No. of IPOs trading at discount – 30 th calendar days from listing			No. of IPOs trading at premium – 30 th calendar days from listing			No. of IPOs trading at discount – 180 th calendar days from listing			No. of IPOs trading at premium – 180 th calendar days from listing		
			Oveer 50%	Betwee n 25-50%	Les s than 25%	Oveer 50%	Betwee n 25-50%	Les s than 25%	Oveer 50%	Betwee n 25-50%	Les s than 25%	Oveer 50%	Betwee n 25-50%	Les s than 25%
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	1	2.002	-	-	1	-	-	-	-	1	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-

TRACK RECORD OF PAST ISSUES HANDLED BY TURNAROUND CORPORATE ADVISORS PRIVATE LIMITED

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM <https://tcagroup.in>.

SECTION IX: ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the prospectus, the abridged Draft Prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the 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 Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that in terms of regulation 256 of the SEBI (ICDR), 2018 read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e., just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

AUTHORITY FOR THE PRESENT ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on August 19, 2022 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the AGM of the Company held on August 29, 2022.

RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to chapter titled, “*Main Provisions of the Articles of Association*”, beginning on page 193 of this Draft Prospectus.

OFFER FOR SALE

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection there to and as per the recommendation by our Board of Directors and approved by our Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, for further details in relation to dividends, please refer to chapter titled, “*Dividend Policy*” and section titled “*Main Provisions of the Articles of Association*”, beginning on page 112 and 193 respectively, of this Draft Prospectus.

FACE VALUE AND ISSUE PRICE

The face value of the share of our company is Rs.10/- per equity share and the issue price is Rs.25/- (Rs.10/- Face value and Rs. 15/- Premium) per equity share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled, “*Basis for Issue Price*” beginning on page 60 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association of our Company, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, etc., please refer to chapter titled, "*Main Provisions of the Articles of Association*", beginning on page 193 of this Draft Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialized form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialized form for all investors. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issuer:

1. Tripartite agreement dated June 10, 2022 between our Company, NSDL and the Registrar to the Issue.
2. Tripartite agreement dated July 05, 2022 between our Company, CDSL and the Registrar to the Issue

The trading of the Equity Shares will happen in the minimum contract size of 6,000 Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Draft Prospectus will be done in multiples of 6,000 Equity Shares subject to a minimum allotment of 6,000 Equity Shares to the successful Applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JOINT HOLDERS

Where two (2) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed

form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board, elect either:

To register himself or herself as the holder of the Equity Shares; or to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

PERIOD OF SUBSCRIPTION LIST OF PUBLIC ISSUE

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

ISSUE OPENS ON	[•]
ISSUE CLOSES ON	[•]

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 Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

- In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the issue shall be open after at least three working days from the date of filing the prospectus with the Registrar of Companies.
- In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public issue shall be kept open for at least three working days and not more than ten working days.
- In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (issue) period disclosed in the Draft Prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is not applicable to our company as this is fixed price issue.
- In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the issue period disclosed in the Draft Prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation 266(1).

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

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

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage.

Retail Individual Applicants can revise or withdraw their 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 BSE SME 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

In accordance with Regulation 260(1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten, so this issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of Draft Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 6000 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

APPLICATION BY ELIGIBLE NRI'S, FPI'S/FII'S REGISTERED WITH SEBI, VCF'S REGISTERED WITH SEBI AND QFIs

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE

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 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.

RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the chapter titled "*Capital Structure*" beginning on page 44 of this Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation/splitting of Equity Shares. For further details, please refer to the Section titled, "*Main Provisions of the Articles of Association*", beginning on page 193 of this 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 LM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the LM 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.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being Issued can be applied for in the dematerialized form only. Further, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME platform of BSE.

MIGRATION TO MAIN BOARD

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, the migration to the Main board of BSE from the SME platform of BSE on a later date shall be subject to the following:

- If the Paid up Capital of our Company is likely to increase above Rs. 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which our Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

- If the Paid-up Capital of the company is more than Rs. 10 crore but below Rs.25 crore, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE, wherein [●] is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the BSE SME for a minimum period of three (3) years from the date of listing on the SME Platform of BSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to chapter titled, "*General Information*" beginning on page 37 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 the Issue size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue size)
Up to Rs. 20 Crores	25%	24%
Rs. 20 Crores to Rs. 50 Crores	20%	19%
Rs. 50 Crores to Rs. 80 Crores	15%	14%
Above Rs. 80 Crores	12%	11%

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. 2 (Two) 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 through this issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in **Gujarat, India**.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of "U.S. persons" (as defined in Regulations), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations 2018, whereby, an issuer whose post issue face value capital is more than ten crore rupees and upto twenty-five crore rupees, shall issue shares to the public and propose to list the same on the platform of Small and Medium Enterprise (SME platform of BSE). For further details regarding the salient features and terms of such this Issue, please refer to chapters titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 162 and 170, respectively, of this Draft Prospectus.

The present Issue of 60,00,000 Equity Shares at an issue price of Rs. 25/-each aggregating to Rs. 1500.00 Lakhs by our Company. The Issue and the Net Issue will constitute 36.77 % and 34.93 %, respectively of the post issue paid up equity share capital of the Issuer Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares	57,00,000 Equity Shares	3,00,000 Equity Shares
Percentage of Issue Size available for allocation	95% of the Issue Size	5% of the Issue Size
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 6000 Equity Shares each. For further details please refer to “Basis of Allotment” under chapter titled “Issue Procedure” on page 175 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through ASBA Process including through UPI mode (up to Rs. 5.00 lakhs through UPI for Individual Investors)	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Minimum Application Size	For Other than Retail Individual Investors: Such number of Equity Shares in multiple of 6,000 Equity Shares at an Issue Price of Rs. 25/- each such that the Application Value exceeds Rs.2,00,000 For Retail Individuals: 6,000 Equity Shares at Issue price of Rs. 25/- each.	3,00,000 Equity Shares @ Rs. 25/- each
Maximum Application Size	For Other than Retail Individual Investors: 57,00,000 Equity shares (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: 6,000 Equity Shares at Issue price of Rs. 25/- each.	3,00,000 Equity Shares @ Rs. 25/- each
Trading Lot	6,000 Equity Shares	6,000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of Payment	100% at the time of application	100% at the time of application

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations.

*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) 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 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: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage. For further information on the Allocation of Net Offer to Public, please refer to chapter titled “The Issue” on page no. 33 of this Draft Prospectus.

WITHDRAWAL OF THE ISSUE

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

In case, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (1) in regional newspaper where the registered office of the Company is situated.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document with the stock exchange where the Equity Shares may be proposed to be listed.

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

ISSUE PROGRAMME

Issue Opening Date		●
Issue Closing Date		●
Finalisation of Basis of Allotment with BSE SME		●
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts		●
Credit of Equity Shares to demat accounts of the Allottees		●
Commencement of trading of the Equity Shares on BSE SME		●

Note: The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the SME Platform of BSE are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME in accordance with the applicable laws

Applications and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing Date when applications will be accepted only between 10:00 a.m. to 4:00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date.

Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue specially in relation to the process for application by Retail Individual Investors 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.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) 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 Applications in cases of individual, multiple Applications 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.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications 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 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 will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI.

Please note that the information stated/covered in this section 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 section 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 Draft Prospectus. Applicants 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 Draft Prospectus and the Draft Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the Full Application Amount along with the Application Form.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number

SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by 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 Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. 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. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time.

Thereafter, SEBI, through circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, decided that all Individual Investors applying in Public Issues where the application amount is upto 5 Lakhs shall use UPI and shall also provide their UPI ID in the bid-cum-application form submitted with any of the entities mentioned herein below:

- i. a syndicate member
- ii. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
- iii. a depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- iv. a registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity).

This circular came into force for Public Issues opening on or after May 01, 2022 which meant that even NIIs can also place bids through UPI

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, which came into effect from May 01, 2021 had put in place measures to have a uniform policy to further streamline the processing of ASBA applications through UPI process among intermediaries/SCSBs and also provided a mechanism of compensation to investors.

However, in view of the representations received from stakeholders, SEBI vide Circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 given some relaxation for the implementation timelines for the provisions of “the circular” which are as under:

- **SMS Alerts:** Para 9 of “the circular” prescribed the details to be sent by SCSB’s in SMS alerts. While 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.
- **Web Portal for CUG:** For ease of doing business, Para 10 of “the circular” prescribed a web portal to be hosted by Sponsor Banks for closed user group (hereinafter referred to as “CUG”) entities. In view of the representations received from the stakeholders, it has been decided that:
 - ❖ 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 prescribed in Para 10 of “the circular” 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.
- **Completion of Unblocks by T+4:** Para 13 of “the circular” prescribed the process and timeline for ensuring the completion of unblocks pertaining to UPI mandates on T+4 (T: Issue Closing Date). while the process of unblocking shall be completed by T+4, in view of the representations received from stakeholders, the following shall be the revised timelines:

- ❖ 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.
- ❖ To ensure that the unblocking is completed on T+4, the Lead Managers, on a continuous basis and before the opening of the public issue shall take up the matter with the SCSB's at appropriate level.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 (four) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs.100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus. Further, our Company and the LM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.

Phased implementation of Unified Payments Interface (UPI)

SEBI has issued the various UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the 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 Retail Individual Investors through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the 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, a Retail Individual Investor 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 Retail Individual Investors through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be 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: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Managers.

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.

The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. 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.

APPLICATION FORM

Copies of Application Forms and Abridged Prospectus will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, an electronic copy of the Application Forms and Abridged Prospectus will also be available for download on the website of the Company, Lead Manager and Stock Exchange, BSE (www.bseindia.com), at least one day prior to the Issue Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. The Retail Individual Investors can additionally Bid through the UPI Mechanism.

All ASBA Bidders must provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of Retail Individual Investors), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the Retail Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for rejection. Retail Individual Investors bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

* Excluding electronic Application Form.

** Application forms will also be available on the website of the BSE (www.bseindia.com). Same Application Form applies to all ASBA Applicants/ Retail Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Subsequently, for ASBA Forms (other than Retail Individual Investors using 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 or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For Retail Individual Investors using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to Retail Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Retail Individual Investors, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate Retail Individual Investors (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank,

NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the LM for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

WHO CAN APPLY?

Each Applicant 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 Application Form and GID for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- I. Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- II. Applications belonging to an account for the benefit of a minor (under guardianship);
- III. 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". Application by HUFs will be considered at par with Applications from individuals;
- IV. Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- V. QIBs;
- VI. NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- VII. Qualified Foreign Investors subject to applicable law;
- VIII. Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- IX. Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under the irrespective constitutions to hold and invest in equity shares;
- X. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- XI. Insurance companies registered with IRDAI;
- XII. Mutual Funds registered with SEBI;
- XIII. FPIs other than Category III Foreign Portfolio Investor;
- XIV. Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Other Investors Category;
- XV. Scientific and/ or industrial research organizations authorised in India to invest in the Equity Shares; and
- XVI. Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and polices applicable to them.

Applications should not to be made by:

- I. Minors (except through their Guardians)
- II. Partnership firms or their nominations
- III. Foreign Nationals (except NRIs)
- IV. 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 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, 1933 (the “U.S. Securities Act”) or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation 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.

The information below is given for the benefit of the applicants. Our Company, and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company, and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE:

For Retail Individual Applicants:

The Application must be for a minimum of 6,000 Equity Shares and in multiples of 6,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs 2,00,000. As the application price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application only for maximum 1 lot i.e., for 6,000 Equity Shares.

For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs 2,00,000 and in multiples of 6,000 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Minimum Bid Lot: 6000 Equity Shares

BASIS OF ALLOTMENT

Allotment will be made in consultation with 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:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for)
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 6,000 Equity Shares the allotment will be made as follows:
 - d) Each successful applicant shall be allotted 6,000 Equity Shares;
 - e) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- f) If the proportionate allotment to an applicant works out to a number that is not a multiple of 6,000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 6,000 Equity Shares subject to a minimum allotment of 6,000 Equity Shares.
- g) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any,

remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 6,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.

- h) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
- As per Regulation 253(2) of the SEBI (ICDR) Regulations 2018, as the Retail Individual Investor category is entitled to minimum fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - Remaining to Individual applicants other than retail individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
 - The unsubscribed portion in either of the categories specified in (i) or (ii) above may be available for allocation to the applicants in the other category, if so required.

“Retail Individual Investor” means an investor who applies for shares of value of not more than Rs.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 designated stock exchange.

The Executive Director/Managing Director of 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.

PARTICIPATION BY ASSOCIATES /AFFILIATES OF LM AND THE SYNDICATE MEMBERS

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY MUTUAL FUNDS

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATIONS BY ELIGIBLE NRIS

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Applying on a repatriation basis could make payments through the ASBA process only by blocking the funds for the amount payable on application in their NRE Account or FCNR Accounts, maintained with banks authorised by the RBI to deal in foreign exchange.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by blocking the relevant funds in their NRE or FCNR account, as the case may be. Payment for Application by non-resident Applicants applying on a repatriation

basis will not be accepted out of NRO accounts for the full Application amount, at the time of submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

APPLICATIONS BY HUF

Application by Hindu Undivided Families or HUFs should be 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". Application by HUFs will be considered at par with Applications by individuals.

APPLICATIONS BY FPI'S

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased upto the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

APPLICATIONS 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 which our Company reserves the right to reject any Application by a banking company without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "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 bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) 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 timebound 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 (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services

company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

APPLICATIONS BY SCSB'S

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered 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 ASBA applications.

APPLICATIONS BY SEBI REGISTERED VENTURE CAPITAL FUNDS, ALTERNATIVE INVESTMENT FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI VCF Regulations and the SEBI FVCI Regulations, as amended, inter alia prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only upto 33.33% of the investible funds in various prescribed instruments, including in public offerings.

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 AIF 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 AIF Regulations shall continue to be regulated by the VCF Regulations.

All Non-Resident Applicants including Eligible NRIs, 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 / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I or II AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the Draft Prospectus with SEBI. However, such equity shares shall be locked in for a period of at least one year from the date of purchase by the VCF, category I or II AIF or FVCI, as the case may.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by Insurance Companies, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "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 belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case may be.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of Rs.2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of Rs.500,000.00 million or more but less than Rs.2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

APPLICATIONS BY PROVIDENT FUNDS/ PENSION FUNDS

In case of Applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of Rs. 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, Eligible FPIs, insurance companies Systemically Important Non-Banking Financial Companies, 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 Rs. 250 million and pension funds with a minimum corpus of Rs. 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor.

APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI, b) certified copy of its latest audited financial statement on a standalone basis and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor. Systemically Important Non-Banking Financial Companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

METHOD AND PROCESS OF APPLICATIONS

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until 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 Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

ISSUE OF SECURITIES IN DEMATERIALIZED FORM:

1. Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Investors will not have the option of being Allotted Equity Shares in physical form.
2. 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 DP ID, Client ID, UPI ID (in case of Retail Individual Investors using the UPI Mechanism) and PAN, shall be treated as incomplete and will be rejected.
3. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.
4. 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.

INFORMATION FOR THE APPLICANTS:

1. The Prospectus containing the details w.r.t. Issue Opening Date and Issue Closing Date shall be filed with the RoC at least three working days before the Issue Opening Date.
2. The Issue Opening and Closing date shall also be notified by way of Pre-Issue Advertisement in the form prescribed by the SEBI ICDR Regulations, in one English national daily newspaper with wide circulation, Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the registered office of the issuer is situated.
3. Copies of the Application Form along with Abridged Prospectus and copies of the Prospectus would be available with the Lead Managers, the Registrar to the Issue and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the BSE SME.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office of our Company.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries

to register their applications.

6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who maybe exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange. Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

TERMS OF PAYMENT

The entire Issue price of Rs. 25/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) The applications accepted by any Designated Intermediaries (ii) The applications uploaded by any Designated Intermediaries or (iii) The applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sl. No.	Details*
1	Symbol
2	Intermediary Code
3	Location Code
4	Application No.
5	Category
6	PAN
7	DP ID
8	Client ID
9	Quantity
10	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
 - ❖ Name of the Applicant;
 - ❖ IPO Name;
 - ❖ Application Form Number;
 - ❖ Investor Category;
 - ❖ PAN (of First Applicant, if more than one Applicant);
 - ❖ DP ID of the demat account of the Applicant;
 - ❖ Client Identification Number of the demat account of the Applicant;
 - ❖ Number of Equity Shares Applied for;
 - ❖ Bank Account details;
 - ❖ Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - ❖ Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

WITHDRAWAL OR REVISION OF APPLICATION

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

ALLOCATION OF EQUITY SHARES

Allocation and allotment of Equity Shares through this offer document will be done in multiples of 6,000 Equity Shares subject to a minimum allotment of 6,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations through the Fixed Price method and hence, as per of Regulation 253(2), of SEBI ICDR Regulations, the allocation of Net Issue to the public category 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 specified securities applied for;
- 1) The Issue is being made through the Fixed Price Process wherein 3,00,000 Equity Shares shall be reserved for Market Maker and 57,00,000 Equity shares (Net Issue) will be allocated on a proportionate basis to Retail Individual Applicants, and Non-Retail Applicants.
 - 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.

- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage and retail individual investors can withdraw or revise their bids till issue closure date.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Gujarati Newspaper.

ISSUANCE OF ALLOTMENT ADVICE (CAN)

- 1) Upon approval of the basis of allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.
- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

DESIGNATED DATES

Issue Opening Date	
Issue Closing Date	
Finalisation of Basis of Allotment with BSE SME	
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	
Credit of Equity Shares to demat accounts of the Allottees	
Commencement of trading of the Equity Shares on BSE SME	

***Note:** The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the SME Platform of BSE are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME in accordance with the applicable laws.*

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals. All applicants (other than Anchor Investors) should submit their Bids through the ASBA process only;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to not release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Applications are submitted at the Collection centres only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your application is

submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the Applicant has a bank account or a UPI ID linked Bank Account, or to a Registered Broker at the Broker Centres or to RTAs or DPs at collection centres and not to our Company.

- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e., bank account or UPI ID, as applicable) in the Application Form if you are not a Retail Individual Investor bidding using the UPI Mechanism in the Application Form and if you are a Retail Individual Investor using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Application Form.
- Submit revised Applications to the same member of the Syndicate, SCSB or Non-Syndicate Registered Broker, or RTAs or DPs as applicable, through whom the original Application was placed and obtain a revised TRS;
- 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 requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021;
- 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 for a price different from the price mentioned here in or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.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 Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than one application from one bank account.
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;

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. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., www.bseindia.com and NSE i.e., www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e., www.bseindia.com and NSE i.e., www.nseindia.com.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Application Form

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

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 Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. For details of the Company Secretary and Compliance Officer and the Registrar to the Issue, see "General Information" on page 37.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME platform where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and
- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

OTHER INSTRUCTIONS FOR THE APPLICANTS

Joint Applications

In the case of Joint Applications, the Applications 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 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.

Multiple Applications

An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

IMPERSONATION:

Attention of the application is specifically drawn to the provisions of the 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.
- d) The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending upto 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount."

INVESTOR GRIEVANCE

In case of any pre-Issue or post-Issue related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

NOMINATION FACILITY TO APPLICANT

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

GROUND FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications made using a third-party bank account or using third party UPI ID linked bank account;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4,000;
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Draft Prospectus as per the instructions in this Draft Prospectus and Application Forms;

- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application 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;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals. Application or revision thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Failure of Retail Individual Applicants to validate the request of blocking of Application amount sent by the Sponsor Bank;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- Details of ASBA Account not provided in the Application form;
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; etc.

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

Names of entities responsible for finalizing the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Completion of Formalities for Listing & Commencement of Trading

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 (six) Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the Allotment Advice within 6 (six) Working Days of the Issue Closing Date.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) The issue is 100% underwritten. Our company has entered into an Underwriting Agreement dated [●] with Lead Manager and [●]. For Further information, please refer chapter “General Information” beginning from page no 37 of this Draft Prospectus.
- b) A copy of prospectus will be filled with the RoC in terms of Section 26 & 32 of Companies Act, 2013.

UNDERTAKINGS BY OUR COMPANY

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us 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 Issue Closing Date.

- 3) That the 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 the issuer.
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the six Working Days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) That the promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public in accordance with applicable provisions in these regulations.
- 6) That no further issue of securities shall be made till the securities offered through the Draft Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 19.
- 7) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.
- 8) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;

UTILIZATION OF ISSUE PROCEEDS

The Board of Directors of our Company 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 referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company 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 the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested.
- 4) The utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 5) The details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

Agreement dated June 10, 2022 between NSDL, the Company and the Registrar to the Issue;

Agreement dated July 05, 2022 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. "INE0M7501019".

RESTRICTIONS OF 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") and various regulations made thereunder. 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 The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) ("DPIIT").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DPIIT, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), with effect from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DPIIT that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DPIIT issues an updated circular.

RBI has also issued Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017- 18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are 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.

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

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 DPIIT/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, conditionality's (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 218

(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.

Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

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 2020, 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, 10 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.

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% and 24% 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.

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.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

INVESTMENT BY NRI OR OCI ON NON-REPATRIATION BASIS

As per current FDI Policy 2020, 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 (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to 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 being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sale 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.

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. Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a Prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Prospectus.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION X: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF CITY CROPS AGRO LIMITED**

CONSTITUTION OF THE COMPANY

1. The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.

"Public Company" means a company which-

- (a) is not a private company
- (b) has a minimum paid-up share capital of five lakh rupees or such higher paid-up capital, as may be prescribed:

INTERPRETATION CLAUSE

2. The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:

- a. 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'
- b. 'The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
- c. 'The Company' or 'This Company' means **CITY CROPS AGRO LIMITED**
- d. 'Directors' means the Directors for the time being of the Company.
- e. 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.
- f. 'Members' means members of the Company holding a share or shares of any class.
- g. 'Month' shall mean a calendar month.
- h. 'Paid-up' shall include 'credited as fully paid-up'.
- i. 'Person' shall include any corporation as well as individual.
- j. 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.
- k. 'Section' or 'Sec.' means Section of the Act.
- l. Words importing the masculine gender shall include the feminine gender.
- m. Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.
- n. 'Special Resolution' means special resolution as defined by Section 114 in the Act.
- o. 'The Office' means the Registered Office for the time being of the Company.

****Name Clause has been altered vide Special Resolution passed by the Shareholders of the Company in EGM held on 11/10/2021 by change in name of Company from Bhagya Agro-Care Private Limited to City Crops Agro Private Limited**

***Adoption of Articles of Association Vide Special Resolution Passed by the Shareholders in the Extra Ordinary General Meeting held on 15/12/2021 upon the Conversion of Private Limited Company into Public Limited.**

p. 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.

q. 'Proxy' includes Attorney duly constituted under a Power of Attorney.

3. Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.

4. The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.

5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot 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 or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.

Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.

6. The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.

7. The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:

I.(a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.

(b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.

(d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.

II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.

III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:

(a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and

(b) The Central Government before the issue of the debentures or raising of the loans or in conformity with the rules, if any, made by that Government in this behalf.

8. (1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.

(2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.

9. Issue of further shares with disproportionate rights

Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or

other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu there with.

10. Not to issue shares with disproportionate rights

The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.

11. Power to pay commission

The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

12. Liability of joint holders of shares

The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.

13. Trust not recognised

Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

14. Issue other than for cash

a. The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.

b. As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.

15. Acceptance of shares

An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.

16. Member' right to share Certificates

1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:

a. One certificate for all his shares; or

b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.

2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.

3. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up there on.

4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company.

17. One Certificate for joint holders

In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.

18. Renewal of Certificate

If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.

19. For every certificate issued under the last preceding Article, no fee shall be charged by the Company.

20. Splitting and consolidation of Share Certificate

The shares of the Company will be split up/consolidated in the following circumstances:

- (i) At the request of the member/s for split up of shares in marketable lot.
- (ii) At the request of the member/s for consolidation of fraction shares into marketable lot.

21. Directors may issue new Certificate(s)

Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.

22. Person by whom installments are payable

If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

LIEN

23. Company's lien on shares

The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

24. As to enforcing lien by sale

For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.

25. Authority to transfer

a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.

b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

26. Application of proceeds of sale

The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.

CALLS ON SHARES

27. Calls

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.

28. When call deemed to have been made

A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.

29. Length of Notice of call

Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.

30. Sum payable in fixed installments to be deemed calls

If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.

31. When interest on call or installment payable

If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.

32. Sums payable at fixed times to be treated as calls

The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the

terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

33. Payment of call in advance

The Board of Directors, may, if it thinks fit, receive from any member willing to advance all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advanced may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.

34. Partial payment not to preclude forfeiture

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction there under, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.

FORFEITURE OF SHARES

35. If call or installment not paid, notice may be given

If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such 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. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.

36. Evidence action by Company against shareholders

On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

37. Form of Notice

The notice shall name a further day (not earlier than the expiration 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 shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

38. If notice not complied with, shares may be forfeited

If the requirements of any such notice as, aforementioned 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. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

39. Notice after forfeiture

When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

40. Boards' right to dispose of forfeited shares or cancellation of forfeiture

A forfeited or surrendered share may be sold or otherwise disposed of on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.

41. Liability after forfeiture

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.

42. Effect of forfeiture

The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

43. Evidence of forfeiture

A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a

good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and 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.

44. Non-payment of sums payable at fixed times

The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

45. Validity of such sales

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

TRANSFER AND TRANSMISSION OF SHARES

46. Transfer

a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.

b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.

c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.

e. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.

47. Form of transfer

Shares in the Company shall be transferred by an instrument in writing in such common forms as specified in Section 56 of the Companies Act.

48. Board's right to refuse to register

The Board, may, at its absolute discretion and without assigning any reason, decline to register

1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or

2. Any transfer or transmission of shares on which the Company has a lien.

a. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.

b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.

c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.

d. The provisions of this clause shall apply to transfers of stock also.

49. Further right of Board of Directors to refuse to register

a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.

b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.

c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or

consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.

d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:

- i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.
- ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.
- iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.
- iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.
- v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.

Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor notwithstanding that the residual holding shall be below hundred (100).

50. Rights to shares on death of a member for transmission

a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.

b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.

Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.

Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.

51. Rights and liabilities of person

1. 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 be required by the Board and subject as herein, after provided elect either.

a. to be registered himself as a holder of the share or

b. to make such transfer of the share as the deceased or insolvent member could have made.

2. 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.

52. Notice by such a person of his election

a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

c. 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 of transfer had been signed by that member.

53. No transfer to infant, etc.

No transfer shall be made to an infant or a person of unsound mind.

54. Endorsement of transfer and issue of certificate

Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.

55. Custody of transfer

The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

56. Register of members

a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.

b. Closure of Register of members

The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

c. When instruments of transfer to be retained

All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

57. Company's right to register transfer by apparent legal owner

The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the shares not withstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.

ALTERATION OF CAPITAL

58. Alteration and consolidation, sub-division and cancellation of shares

a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:

1. increase its share capital by such amount as it thinks expedient by issuing new shares;
2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;
4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.
5. a. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.
b. The resolution whereby any share is sub-divided may determine that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.
6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.

59. Reduction of capital, etc. by Company

The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:

- a. its share capital;
- b. any capital redemption reserve account; or
- c. any share premium account.

SURRENDER OF SHARES

60. Surrender of shares

The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.

MODIFICATION OF RIGHTS

61. Power of modify shares

The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.

SET OFF OF MONEY DUE TO SHAREHOLDERS

62. Set-off of moneys due to shareholders

Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.

CONVERSION OF SHARES INTO STOCK

63. Conversion of shares

The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.

64. Transfer of stock

The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same 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.

65. Right of stockholders

The holders of the stock shall, according to the amount of the 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 its 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.

66. Applicability of regulations to stock and stockholders

Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stock holder respectively.

67. DEMATERIALISATION OF SECURITIES

a) Definitions

For the purpose of this Article:

'Beneficial Owner' means a person or persons whose name is recorded as such with a depository;

'SEBI' means the Securities and Exchange Board of India;

'Depository' means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and

'Security' means such security as may be specified by SEBI from time to time.

b) Dematerialisation of securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed there under, if any.

c) Options for investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

d) Securities in depositories to be in fungible form

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

e) Rights of depositories and beneficial owners:

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(ii) Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.

(iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

f) Service of documents

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

g) Transfer of securities

Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

h) Allotment of securities dealt with in a depository

Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

i) Distinctive numbers of securities held in a depository

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.

j) Register and Index of Beneficial owners

The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.

k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any name trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

GENERAL MEETINGS

68. Annual General Meeting

The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.

69. Extraordinary General Meeting

1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.

Right to summon Extraordinary General Meeting

2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.

70. Extraordinary Meeting by requisition

a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.

b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.

c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.

d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.

e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.

71. Length of notice for calling meeting

A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting.

Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

72. Accidental omission to give notice not to invalidate meeting

The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.

73. Special business and statement to be annexed

All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two percent of the paid-up share capital of that company, also be set out in the statement.

74. Quorum

The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:

Number of members upto 1000: 5 members personally present
Number of members 1000- 5000: 15 members personally present
Number of members more than 5000: 30 members personally present

75. If quorum not present, when meeting to be dissolved and when to be adjourned

If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

76. Chairman of General Meeting

The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.

77. When Chairman is absent

If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.

78. Adjournment of meeting

The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

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. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

79. Questions at General Meeting how decided

At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands / electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

80. Casting vote

In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.

Taking of poll

81. If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

In what cases poll taken without adjournment

82. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.

Votes

83. a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.

b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.

c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.

Business may proceed notwithstanding demand for poll

84. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Joint holders

85. In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Member of unsound mind

86. 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.

No member entitled to vote while call due to Company

87. No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Proxies permitted on polls

88. On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.

Instrument of proxy

89. a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.

b. A body corporate (whether a company within the meaning of this Act or not) may:

1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;

2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made there under, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.

c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.

Instrument of proxy to be deposited at the office

90. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.

Validity of vote by proxy

91. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

Form of proxy

92. Any instrument appointing a proxy may be a two way proxy form to enable the shareholder to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.

DIRECTORS

Number of Directors

93. Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.

a) Board of Directors

FIRST DIRECTORS

1. **ANANT ASHOKKUMAR SHAH**

2. **JIGAR ASHOK HEBRA**

b) Same individual may be appointed as Chairperson and Managing Director / Chief Executive Officer.

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company.

94. Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.

Qualification of Directors

95. Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.

Director's remuneration

96. a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made there under. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.

b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.

c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.

d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause

(a) of the Article.

Directors may act notwithstanding vacancy

97. The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 121 below:

Chairman or Vice-chairman of the Board

98.

a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board.

b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial services and entertainment, as may be decided by the Board of Directors from time to time.

Casual vacancy

99. If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only up to the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

VACATION OF OFFICE BY DIRECTORS

Vacation of office by Directors

100. The office of a Director shall be vacated if:

1. he is found to be unsound mind by a Court of competent jurisdiction;
2. he applies to be adjudicated as an insolvent;
3. he is an un discharge din solvent;
4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;

5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;
6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.
7. he has not complied with Subsection (3) of Section 152
8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.
9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;
10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.
11. he becomes disqualified by an order of a court or the Tribunal.
12. he is removed in pursuance of the provisions of the Act,
13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;

not with standing anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:

1. for thirty days from the date of the adjudication, sentence or order;
2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or
3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

Alternate Directors

101. (a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause "the Original Director" during his absence for a period of not less than 3 months from India.

(b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.

Independent Directors

(c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time.

(ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall not be liable to retire by rotation.

Women Director

(d) The Directors shall appoint at least one women director as per the requirements of section 149 of the Act.

Key Managerial Personnel

(e) 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.

(iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.

Additional Directors

102. The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company.

Proportion of retirement by rotation

a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.

Debenture

103. Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the

Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.

Corporation/Nominee Director

104. a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company to the any finance corporation or credit corporation or body, (herein after in this Article referred to as "The Corporation") out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or installments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).

b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.

The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.

Disclosure of interest of Directors

105. a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.

Provided nevertheless that no Director shall vote as a Director in respect of any contractor arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.

b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.

Rights of Directors

106. Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.

Directors to comply with Section 184

107. Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.

Directors power of contract with Company

108. Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.

ROTATION OF DIRECTORS

Rotation and retirement of Directors

109. At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.

Retiring Directors eligible for re-election

110. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.

Which Directors to retire

111. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

Retiring Directors to remain in office till successors are appointed

112. Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.

Power of General Meeting to increase or reduce number of Directors

113. Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.

Power to remove Directors by ordinary resolution

114. Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.

Rights of persons other than retiring Directors to stand for Directorships

115. Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".

Register of Directors and KMP and their shareholding

116. The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.

Business to be carried on

117. The business of the Company shall be carried on by the Board of Directors.

Meeting of the Board

118. The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.

Director may summon meeting

119. A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.

Question how decided

120. a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.

b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.

Right of continuing Directors when there is no quorum

121. The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three

or for summoning a General Meeting of the Company and for no other purpose.

Quorum

The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting there from the number of Directors, if any, whose places are vacant at the time.

Election of Chairman to the Board

122. If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.

Power to appoint Committees and to delegate

123. a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.

Delegation of powers

b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.

c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.

Proceedings of Committee

124. The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last preceding Article.

Election of Chairman of the Committee

125. a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their numbers to be Chairman of the meeting.

b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.

Question how determined

126. a. A Committee may meet and adjourn as it thinks proper.

b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

Acts done by Board or Committee valid, notwithstanding defective appointment, etc..

127. All acts done by any meeting of the Board or 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 any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.

Resolution by circulation

128. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may be) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

POWERS AND DUTIES OF DIRECTORS

General powers of Company vested in Directors

129. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

Attorney of the Company

130. The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of anybody or persons whether nominated directly or indirectly by the Board and any such power of attorney may

contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.

Power to authorise sub delegation

131. The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.

Directors' duty to comply with the provisions of the Act

132. The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.

Special power of Directors

133. In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.

To acquire and dispose of property and rights

134. a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.

To pay for property in debentures, etc.

b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

To secure contracts by mortgages

c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.

To appoint officers, etc.

d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.

e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.

To refer to arbitration

f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.

To give receipt

g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.

To act in matters of bankrupts and insolvents

h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.

To give security by way of indemnity

i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

To give commission

j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.

To make contracts etc.

k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

To make bye-laws

l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.

To set aside profits for provided fund

m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.

To make and alter rules

n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.

o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.

Managing Director

135. a. Subject to the provisions of Section 196, 197, 2(94), 203 of the Act, the following provisions shall apply:

b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.

c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.

d. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.

e. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.

Whole-time Director

136. 1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Whole time Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.

2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.

Secretary

137. The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.

Powers as to commencement of business

138. Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

Delegation of power

139. Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.

BORROWING

Borrowing Powers

140. a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge

or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount up to which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.

Assignment of debentures

141. Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

Terms of debenture issue

142. a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.

c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.

d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.

e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of the Act shall not at any time exceed one-third of the whole number of Directors for the time being.

Charge on uncalled capital

143. Any uncalled capital of the Company may be included in or charged by mortgage or other security.

Subsequent assignees of uncalled capital

144. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.

Charge in favour of Director of indemnity

145. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.

Powers to be exercised by Board only at meeting

146. a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) to authorise buy-back of securities under section 68;

- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow monies;
- (e) to invest the funds of the company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statement and the Board's report;
- (h) to diversify the business of the company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) to make political contributions;
- (l) to appoint or remove key managerial personnel (KMP);
- (m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
- (n) to appoint internal auditors and secretarial auditor;
- (o) to take note of the disclosure of director's interest and shareholding;
- (p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;
- (q) to invite or accept or renew public deposits and related matters;
- (r) to review or change the terms and conditions of public deposit;
- (s) to approve quarterly, half yearly and annual financial statements or financial results as the case maybe.
- (t) such other business as may be prescribed by the Act.

b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.

c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.

d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which maybe made by the delegate.

e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount up to which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.

Register of mortgage to be kept

147. The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

Register of holders of debentures

148. Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.

Inspection of copies of and Register of Mortgages

149. The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.

Supplying copies of register of holder of debentures

150. The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.

Right of holders of debentures as to Financial Statements

151. Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.

Minutes

152. a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.

b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be

regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

Managing Director's power to be exercised severally

153. All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.

MANAGER

Manager

154. Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.

COMMON SEAL

Common Seal

155. The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors.

Affixture of Common Seal

156. The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other persons as may, from time to time, be authorized by the Board and provided never the less that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.

DIVIDENDS AND RESERVES

Rights to Dividend

157. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity share holders.

Declaration of Dividends

158. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

What to be deemed net profits

159. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

Interim Dividend

160. 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.

Dividends to be paid out of profits only

161. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

Reserve Funds

162. a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper 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 equalising dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.

Method of payment of dividend

163. a. Subject to the rights of persons, if any, entitled to share 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.

b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.

c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.

Deduction of arrears

164. 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 in relation to the shares of the Company or otherwise.

Adjustment of dividend against call

165. Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against

the call.

Payment by cheque or warrant

166. a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.

b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.

Retention in certain cases

167. The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.

Receipt of joint holders

(A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:

a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and

b) Keep in abeyance in relation to such shares any offer of rights shares under Clause (a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act".

Deduction of arrears

168. Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.

Notice of Dividends

169. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

Dividend not to bear interest

170. No dividend shall bear interest against the Company.

Unclaimed Dividend

171. No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.

Transfer of share not to pass prior Dividend

172. Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

Capitalisation of Profits

173. a. The Company in General Meeting, may on the recommendation of the Board, resolve:

1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and

2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Sub-clause (3) either in or towards:

1. paying up any amount for the time being unpaid on any share held by such members respectively;

2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or

3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).

c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.

Powers of Directors for declaration of Bonus

174. a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:

1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and

2. generally do all acts and things required to give effect thereto.

b. The Board shall have full power:

1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;

2. 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 the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.

c. Any agreement made under such authority shall be effective and binding on all such members.

ACCOUNTS

Books of account to be kept

175. a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.

b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.

c. The books of accounts shall be open to inspection by any Director during business hours.

Where books of account to be kept

176. The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.

Inspection by members

177. The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

Statement of account to be furnished to General Meeting

178. The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.

Financial Statements

179. Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.

Authentication of Financial Statements

180. a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.

b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report there on.

Auditors Report to be annexed

181. The Auditor's Report shall be attached to the financial statements.

Board's Report to be attached to Financial Statements

182. a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.

b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.

c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.

d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.

e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.

Right of member to copies of Financial Statements

183. The Company shall comply with the requirements of Section 136.

ANNUAL RETURNS

Annual Returns

184. The Company shall make the requisite annual return in accordance with Section 92 of the Act.

AUDIT

Accounts to be audited

185. a. Every Financial Statement shall be audited by one or more Auditors to be appointed as here in after mentioned.
- b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.
- c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.
- d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.
- e. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.
- f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and
2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.
- g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
- h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.
- i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.

Audit of Branch Offices

186. The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.

Remuneration of Auditors

187. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill a casual vacancy may be fixed by the Board.

Rights and duties of Auditors

188. a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.

b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:

1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and
2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.

d. The Auditor's Report shall also state:

(a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial

statements;

- (b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
- (c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;
- (d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;
- (e) whether, in his opinion, the financial statements comply with the accounting standards;
- (f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;
- (g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;
- (h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
- (i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- (j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;
- (k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
- (l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.

f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

Accounts whether audited and approved to be conclusive

189. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.

Service of documents on the Company

190. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.

How documents to be served to members

191. a. A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order judgment or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notice to him.

b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.

c. Where a document is sent by post:

i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;

a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and

b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.

Members to notify address in India

192. Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

Service on members having no registered address in India

193. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighborhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

Service on persons acquiring shares on death or insolvency of members

194. A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

Notice valid though member deceased

195. Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.

Persons entitled to Notice of General Meeting

196. Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;

- (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
- (b) the auditor or auditors of the company; and
- (c) every director of the company.

Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

Advertisement

197. a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.

b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.

Transference, etc. bound by prior notices

198. Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.

How notice to be signed

199. Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

AUTHENTICATION OF DOCUMENTS

Authentication of document and proceeding

200. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.

WINDING UP

Winding up

201. Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

Division of assets of the Company in specie among members

202. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

INDEMNITY AND RESPONSIBILITY

Directors' and others' right to indemnity

203. a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.

b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.

204. Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortious act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.

SECRECY CLAUSE

205. a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.

b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts 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 duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.

REGISTERS, INSPECTION AND COPIES THEREOF

206. a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.

b. Any, Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.

GENERAL AUTHORITY

207. Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.

SECTION XI: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of the Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the prospectus delivered to the RoC for filing, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at A-208, Titanium City Centre, Near Sachin Tower, 100 Ft Ring Road, Satellite, Ahmedabad, Gujarat – 380015, India from 10.00 am to 5.00 pm on all Working Days from the date of Draft Prospectus until the Issue Closing Date.

A. Material Contracts to the Issue

1. Issue Agreement dated February 09, 2023 entered into among our Company and the Lead Manager.
2. Agreement dated August 29, 2022 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated June 10, 2022 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated July 05, 2022 entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement [●] among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated [●] between our Company and [●].

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation of our Company dated April 02, 2013 issued by Registrar of Companies.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated August 19, 2022 and August 29, 2022 respectively, authorizing the Issue and other related matters.
4. Copies of Audited Financial Statements of our Company for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020.
5. Peer Review Auditors Report dated December 15, 2022 on Restated Financial Statements of our Company for the financial year ended 31, 2022, March 31, 2021 and March 31, 2020.
6. Copy of Statement of tax possible benefits dated December 15, 2022 from the Peer Review Auditor included in this Draft Prospectus.
7. Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Legal Advisor to the Issue, Banker to the Issue, Sponsor Bank, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the Draft Prospectus to act in their respective capacities.
8. In-principle listing approval dated [●] from the BSE Limited for listing the Equity Shares on the SME Platform of BSE.
9. Due Diligence certificate dated [●] submitted to SEBI after filing the prospectus with RoC.

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, SEBI ICDR Regulations and other relevant statutes.

DECLARATION

We certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the 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, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Draft Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
KAUJILKUMAR HASMUKHBHAI SHAH DIN: 08937535 Chairman & Executive Director	
SHITALBEN KAUJILKUMAR SHAH DIN: 08935979 Non-Executive Director	
SHIVANGI BIPINCHANDRA GAJJAR DIN: 07243790 Independent Non-Executive Director	
PRIYANKA K GOLA DIN: 09384530 Independent Non-Executive Director	
BHAVNA BASANTBHAI SHAH DIN: 09494548 Independent Non-Executive Director	
ZALAKBEN CHINTAN GAJJAR Company Secretary & Compliance Officer	
KAUJILKUMAR HASMUKHBHAI SHAH Chief Financial Officer (CFO)	

Date: March 09, 2023

Place: Ahmedabad