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100% Book Building Issue

NFP SAMPOORNA FOODS LIMITED
CIN: U10793DL2023PLC455908

NFP Sampoorna Foods Limited ("the Company") was incorporated under the Companies Act, 2013, and received its Certificate of Incorporation dated December 13, 2023, bearing Corporate Identification Number U10793HR2023PLC117207 issued by the Registrar of Companies, Central Registration Centre. Prior to incorporation as a public limited company, the business was operated as a partnership firm under the name M/s Nut and Food Processor. Pursuant to a resolution passed by the partners on October 28, 2023, the partnership was converted into a public limited company and the name was changed to NFP Sampoorna Foods Limited. Subsequently, on June 30, 2025, the Company acquired M/s Yashvardhan Food Industries Private Limited on a going concern basis through a share swap agreement dated June 30th, 2025. This acquisition was approved by the shareholders of the Company pursuant to a resolution passed on June 30, 2025. Further, the Company has changed its registered office from C/o Ashok Gupta, Nathupur, P.S. Rai, Sonipat, Haryana – 131029 to Ground Floor, B-3A & B-3B, Plot No. 70, Najafgarh Road Industrial Area, Rama Road, New Delhi – 110015. Pursuant to this change, our company has received fresh Certificate of Incorporation dated September 24, 2025, bearing Certificate of Incorporation (CIN) U10793DL2023PLC455908 issued by the Registrar of Companies, Delhi. For Further details, please refer Chapter titled "History and Corporate Structure" beginning on Page no. 157 of this Draft Red Herring Prospectus.

Registered office & Corporate office: Ground Floor B-3A & B-3B, Plot No 70, Najafgarh Road Industrial Area, Rama Road, New Delhi-110015.

Ph. No. - +91 9643829587; **Website:** www.sampoornanuts.com; **E-Mail:** compliance@sampoornanuts.com

Contact Person: Ms. Babli, Company Secretary and Compliance Officer

PROMOTERS OF OUR COMPANY: MR. PRAVEEN GOEL, MRS. ANJU GOEL AND MR. YASH VARDHAN GOEL.

INITIAL PUBLIC OFFER OF UPTO 44,60,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES") OF NFP SAMPOORNA FOODS LIMITED ("OUR COMPANY" OR "NFP" OR "NSFL" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹[●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI ALSO BEING THE REGIONAL LANGUAGE OF DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

FOR FURTHER DETAILS KINDLY REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 254 OF THIS DRAFT RED HERRING PROSPECTUS.

ADDENDUM TO DRAFT RED HERRING PROSPECTUS: NOTICE TO THE INVESTORS ("THE ADDENDUM")

Potential Bidders may note the following:

1. The Section I titled "General" beginning on Page 1 of the Draft Red Herring Prospectus has been revised and updated as some new definitions are added as suggested by the NSE.
3. The Section III titled "Risk Factors" beginning on page 27 of the Draft Red Herring Prospectus in internal risk factor. Some risk factors have been added, accordingly revised, and update exiting Section as suggested by the NSE.
4. The Section IV titled "Introduction" beginning on page 50 of the Draft Red Herring Prospectus has been updated with some additions as suggested by the NSE.
5. The Section V titled "Particulars of the Issue" beginning on page 79 Draft Red Herring Prospectus has been updated with some additions as suggested by the NSE.
6. The Section VI titled "About the Company" beginning on page 102 Draft Red Herring Prospectus has been updated with some additions as suggested by the NSE.
8. The Section VII titled "Financial Information" beginning on page 189 Draft Red Herring Prospectus has been updated with some additions as suggested by the NSE.
9. The Section VIII titled "Legal and other Information" beginning on page 219 Draft Red Herring Prospectus has been updated with some additions as suggested by the NSE.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

Date: December 02'2025

Place: Delhi

On Behalf of NFP Sampoorna Foods Limited

Sd/-

Mr. Yashvardhan Goel
(Managing Director)

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE





3DIMENSION CAPITAL SERVICES LIMITED K-37/A, Basement, Kailash Colony, Near Kailash Colony Metro Station, South Delhi, New Delhi, Delhi-110048 Ph. No.: +91 9999883792 Email: delhi@3dcsl.com Investor Grievances Email id- grievance@3dcsl.com Website: www.3dcsl.com SEBI Registration: INM000012528 Contact Person: Mr. Rhydham Kapoor & Mr. Pankaj Khetan	SKYLINE FINANCIAL SERVICES PRIVATE LIMITED D-153 A, 1st Floor Okhla Industrial Area, Phase-I New Delhi – 110020 Delhi, India Tel No.: 011-26812683 Fax: 011 2681 2682 Website: www.skylinerta.com E-Mail: viren@skylinerta.com Investor Grievance Email: grievances@skylinerta.com Contact Person: Anuj Rana SEBI Reg. No.: INR000003241
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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Issue Related Terms

Terms	Description
Addendum	The Addendum dated 02 nd December'2025 to the Draft Red Herring Prospectus dated September 29 th , 2025 filed by our Company with NSE Emerge.

SECTION III- RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with “**Business Overview**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 109 and 219 respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

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

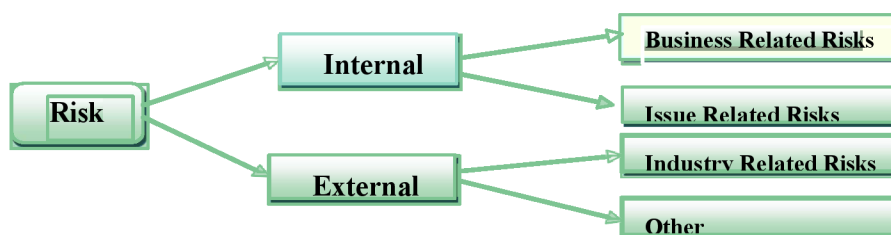
This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere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

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “**Risk Factors**” beginning on page 27 and “**Management Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 219 respectively of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “**Financial Information of the Company**” prepared in accordance with the Accounting Standards (AS).*

Materiality

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 found material when considered collectively
- Some risks may not be material at present but may have a material impact in the near future.
- Some risks may have material impact qualitatively and not quantitatively and vice-versa.



INTERNAL RISK FACTORS

New Risk factor has been included as RF-2

2. We are exposed to Risk arising from transition in Company's Procurement Model from High Seas Purchase to Front Load Procurement.

The Company has transitioned from the High Seas procurement model to a Front-End Procurement model. Under the High Seas Model the Company used to Pay Advances of around 10 to 15% for shipments already enroute to India while under the Front End Procurement Model raw cashews are sourced directly from African origins with 100% advance payments at the time of purchase.

The High Seas Model sometimes lead to procurement of inferior quality raw material because it limited the Company's ability to inspect the goods whereas in Front Load Procurement Model raw materials are Procured from the farmers in Africa under the Personal supervision of Managing Director. While this model has resulted in significant improvement in raw material cost efficiency, better grade realization, and stronger control over quality, it also exposes the Company to certain inherent risks arising from the nature of direct international procurement. These include (i) increased working capital requirements due to full upfront payments before goods are shipped, which could impact liquidity during periods of high procurement; (ii) heightened dependence on overseas suppliers for timely dispatch, consistent quality, and compliance with agreed specifications, (iii) exposure to geopolitical instability, port congestion, customs delays, labour issues, and other logistical constraints in sourcing countries, which may disrupt supply chains; and (iv) foreign exchange fluctuation risk, as procurement is denominated in USD and adverse currency movements could elevate raw material costs. Any delay in shipment, mismatch in quality parameters, change in import regulations, or sudden adverse movement in international cashew prices could affect production scheduling, inventory planning, and overall profitability. To mitigate these risks, the Company has adopted multiple safeguards including engaging with a diversified supplier base across West African regions, doing personally doing quality assurance checks, These measures collectively help reduce concentration risk and ensure continuity and reliability of raw material supply under the front-end procurement framework.

New Risk factor has been included as RF-4

4. We face intense competition which may lead to a reduction in our market share and may cause us to increase our expenditure on marketing and promotion as well as cause us to offer discounts, which may result in an adverse effect on our business and a decline in our profitability.

The food processing and dry-fruits industry in India is highly fragmented and competitive, with numerous players operating across the value chain, including procurement, processing, packaging, and distribution. Competitors range from regional entities with established local networks to national and international companies with significant market presence and brand recognition. Several of these competitors have substantially larger financial and operational resources, advanced technologies, broader procurement networks, established distribution channels, and extensive marketing capabilities.

Such competitors are often better positioned to negotiate favorable raw material prices, respond quickly to changes in consumer preferences, scale operations efficiently, absorb market fluctuations, and invest more aggressively in capacity expansion, branding, and promotional activities. They may also have superior access to capital for working capital requirements, research and development, and



technological innovations, giving them potential cost and operational advantages.

As a result, NFP Sampoorna Foods Limited may face challenges in maintaining pricing power, safeguarding margins, retaining existing customers, and acquiring new customers. There is a risk that aggressive strategies by competitors, including price reductions, innovative product launches, and enhanced distribution reach, could impact our market share and profitability.

While the Company is focused on differentiating itself through product quality, efficient procurement practices, operational excellence, and strong customer relationships, there can be no assurance that we will be able to successfully compete with larger, well-resourced, or more established players. Maintaining competitiveness requires continuous investment in production efficiency, product innovation, marketing initiatives, and market development, which may strain resources or limit the pace of growth.

New Risk factor has been included as RF-5

5. The Company has recently undertaken a strategic shift in its business model by adding a trading vertical in addition to its established processing operations. Any failure to effectively manage this diversification could materially and adversely affect our operations and financial condition.

The Company has recently undertaken a strategic shift by adding a trading vertical alongside its established processing operations. Although this diversification aims to strengthen sourcing capabilities and operational scale, any inability to effectively manage the trading vertical may materially and adversely affect our operations and financial condition.

The trading initiative was introduced to: (i) recover indirect procurement costs such as travel, stay, and quality-assessment expenses without impacting processing margins; (ii) leverage bulk-buying power through customer advances and internal funds to negotiate better pricing and logistics; and (iii) widen and strengthen the sourcing network by increasing engagement with farmers and local traders. Leveraging its established procurement relationships, the Company has created an additional revenue stream aligned with its core strengths.

Historically, revenue from operations was primarily derived from processing, contributing 97.90% in FY 2022–23, 92.55% for the period 01.04.2023–20.12.2023, and 99.99% for the period 21.12.2023–31.03.2024. In FY 2024–25, processing contributed 61.57% and trading 38.43%. For the period 01.04.2025–30.06.2025, trading contributed 68.75% while processing contributed 31.25%.

A substantial portion of trading activity occurs in the first quarter, coinciding with the raw cashew harvest season, while the remaining quarters are expected to be predominantly driven by manufacturing revenue. This reflects the Company's transition toward a more balanced model combining seasonal trading activity with steady processing operations.

Trading activities involve risks distinct from processing, including lower entry barriers, higher competitive intensity, reduced margins, higher working capital requirements, and greater exposure to price fluctuations. Unlike processing, trading offers limited control over product quality, supply-chain predictability, and profitability. Any failure to effectively manage trading activities may materially and adversely affect the Company's business.

Although no adverse events have occurred to date, there can be no assurance that the Company will successfully balance trading activities with planned growth in manufacturing or manage related counterparty, credit, operational, supply-chain, and market risks. Any adverse developments in the trading vertical or failure to execute this strategic shift could materially and adversely affect the Company's revenues, profitability, cash flows, and financial condition.



New Risk factor has been included as RF-7

7. Our Company is substantially dependent on the sale of cashew products, and any adverse changes in market conditions, supply, or regulations may materially affect our business, financial condition, cash flows, and reputation.

Our Company is significantly dependent on the sale of products, namely cashews. Any adverse change in the market, supply, or regulatory environment relating to cashews may materially affect our business, financial condition, cash flows, and reputation.

The Company derives a substantial portion of its revenue from the sale of cashews and cashew products, which accounted for approximately 99.41% of revenue for the period ended March 31, 2025, 97.47% for the period ended March 31, 2024, and 100% for the period ended March 31, 2023.

The Company's significant dependence on cashew sales exposes it to risks associated with fluctuations in demand, supply constraints, price volatility, changes in import/export regulations, and adverse climatic conditions affecting cashew production. Any reduction in demand for cashew products or disruption in their supply chain could have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

Although the Company has not experienced such adverse instances in the past, we cannot assure that similar situations will not occur in the future.

For Further details please refer **"Product wise bifurcation of Revenue"** under the Chapter titled **"Business Overview"** beginning of Page No. 131 of Draft Red Herring Prospectus.

New Risk factor has been included as RF-11

11. We lease certain machinery from a related party, which may create potential conflicts of interest. Such conflicts could negatively impact our business, financial condition, and results of operations.

We lease certain machinery from Yashvardhan Food Industries, a wholly owned subsidiary of the Company. While these transactions are conducted in the ordinary course of business and have been approved in accordance with applicable laws, including the Companies Act, 2013 and SEBI ICDR Regulations, they may give rise to potential conflicts of interest that could adversely affect our business, financial condition, and results of operations. The terms of the lease, including rental payments and other conditions, are negotiated on an arm's length basis. However, because the lease arrangement is with a related party, it may not be possible to fully eliminate the perception of conflicts of interest. Decisions relating to these machinery leases—such as renewals, modifications, or termination—may be influenced by the related party's interests, which might not always align with the interests of our Company or its public shareholders.

If the lease terms change adversely, or if the related party is unable or unwilling to continue providing the machinery on comparable terms, our operations could be disrupted. In such a case, we may be required to incur additional capital expenditure or higher lease costs to procure alternative machinery. Any of these occurrences may negatively impact our business, financial condition, and results of operations.



Although no such event has occurred in the past, we cannot assure that it will not happen in the future.

New Risk factor has been included as RF-15

15. **The Company's business involves the processing and sale of food products, including cashews and other nuts. Any contamination or adulteration of these products could lead to product liability claims, regulatory actions, or reputational damage.**

The Company's business involves the processing and sale of food products, including cashews and other nuts. Any contamination, adulteration, or failure to maintain required safety and quality standards in these products could lead to product liability claims, regulatory actions, recalls, or legal proceedings.

Such events could result in financial losses, reputational damage, loss of consumer confidence, and adverse impact on business operations and profitability. While the Company has implemented stringent quality control and food safety measures, there can be no assurance that contamination or adulteration incidents will not occur in the future. Any such occurrence could have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

As one date of Draft Red Herring Prospectus, the Company has not experienced any incidents of contamination or adulteration of its products.

Risk factor 19 has been modified to include the reasons of delay the corrective steps taken by the Company and the impact of the same on the business/financials of the Company

19. ***There have been instances of delays in filing returns of GST & ROC Forms, and we cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future. Any adverse outcome of such actions may materially affect our business, financial condition, cash flows, and reputation.***

There have been instances of delays in filing returns under the Goods and Services Tax ("GST") laws and filing forms with the Registrar of Companies ("ROC") by our Company in the past. While no material penalties or proceedings have been initiated against us in relation to such delays as of the date of this Draft Red Herring Prospectus, we cannot assure you that such delays will not occur in the future or that no regulatory or legal proceedings will be initiated against us in this regard. Any adverse action by the GST authorities & RoC, including the imposition of penalties, interest, or initiation of legal proceedings, may have a material adverse effect on our business, financial condition, results of operations and cash flows.

The details of instances of GST delays are provided below:

Period / Return Type	GSTIN	Due Date	Actual Filing Date	Delay (in days)	Remarks
2024-25					
GSTR-1 January	09AAJCN2963R1ZJ	11/02/2025	20/02/2025	09	Technical issue on GST portal
2025-26					
GSTR-1 April	09AAJCN2963R1ZJ	11/05/2025	19/05/2025	08	Temporary cancellation of GST registration, which was subsequently revoked upon application.

The details of instances of RoC forms delays are provided below:

Financial Year	Subject matter/ e-form	Date of event	Due Date	Date filed/additional fee paid	Number of days delay
2025-26	Board Resolution for issue of shares passed in Board Meeting held on 28 th June, 2025	28 th June, 2025	28 th July, 2025	25 th August, 2025 Additional fee paid Rs 1200	28 days
2023-24	Special Resolution passed by members in Extra Ordinary General Meeting held on 22 nd February, 2024 for appointment of Independent Directors	22 nd February, 2024	24 th March, 2024	September 26 th , 2024 Additional Fee Rs. 7200	186
2023-24	Special Resolution passed by members in Extra Ordinary General Meeting held on 15 th December, 2023 u/s Section 180(1)(c)	15 th December, 2023	14 th January, 2024	03 rd February, 2024 Additional fee Rs. 1200	20 days
2023-24	Board resolution for exercise of Board powers u/s 179(3)	15 th December, 2023	14 th January, 2024	03 rd February, 2024 Additional fee Rs. 1200	20 days

Reasons for Delay

- a. GST Filings:** The delay in filing the GSTR-1 return for **January 2025** was primarily due to a temporary technical issue on the GST portal, which affected the submission process.

The delay in filing the GSTR-1 return for **April 2025** occurred due to a temporary cancellation of GST registration, which was subsequently revoked upon application and resolution with the GST authorities.

RoC Filings: The delay in filing of the Board Resolution for FY 2025–26 occurred due to temporary technical glitches encountered during the e-filing process. The delay was procedural in nature and not attributable to any non-compliance or omission on the part of the Company.

The delays in filing certain RoC forms were on account of administrative oversight and internal coordination gaps during a period of increased corporate activity.

- b. Corrective Actions:**

The Company has strengthened its internal compliance to ensure timely filings under all applicable laws. Company Secretary has also implemented an enhanced internal monitoring and reminder system for all statutory filings.

The temporary GST registration issue has been also completely resolved, and regular filing has resumed without further delays.

- c. Impact on Business and Financials**

The said delays were procedural in nature and have not resulted in any material penalty, litigation, or adverse regulatory action against the Company. All applicable additional fees have been duly paid.

While we are taking steps to improve our internal compliance processes, including reconciliation and monitoring of GST filings, there is no assurance that delays may not occur from time to time in the future.



Risk factor 20 has been modified to include the details of attrition rate of the Company

20. If we are not able to attract and retain sufficient qualified and trained personnel at our processing and packaging units which may adversely affect our business.

If we are not able to attract and retain sufficient qualified and trained personnel at our processing and packaging units, it may adversely affect our business operations and profitability. The processing of raw cashew nuts involves multiple stages where precision and care are essential to minimize breakage and ensure product quality. Accordingly, the Company relies on skilled and semi-skilled staff to maintain its standard of quality and production efficiency.

During FY 2024–25, our Company experienced a higher attrition rate primarily due to the transition from our earlier facility at Sonipat, Haryana, to our new automated plant at Neemrana, Rajasthan. Although this increase was temporary and operations have since stabilized, there can be no assurance that attrition levels will not rise in the future. The attrition data for the past three financial years is provided below:

Particulars	No. of Employees			Attrition Rate
	Opening	Closing	Average Employees	
2022-2023	50	63	56.5	0%
2023-2024	74	70	72	5.6%
2024-2025	70	58	64	18.8%

Although we have not experienced any material disruption due to incentives to keep the skilled staff for a longer period. There can be no assurance that efficiency rates of our personnel will increase or maintained throughout their working. We have migrated from manual to automation in our plant however we still require Semi skilled Resources to perform the job which are readily available and enough resources are available to train them within our premises, there can be no assurance that we will always be able to recruit or train replacements in a timely manner, particularly in the event of labor unrest, high attrition, or unforeseen disruptions. labor shortages since incorporation, there can be no assurance that such disruptions will not occur in the future, and if they do, they may significantly impact our productivity, result in customer dissatisfaction, and adversely affect our revenue and overall business operations.

For further details refer “Human Resource” on in Chapter Titled — Business Overview beginning on page 109 of this Draft Red Herring Prospectus.

New Risk factor has been included as RF-23

23. The Company’s products, including cashews and other food items, are exposed to the risk of counterfeit, cloned, or pass-off products in the market. Such unauthorized products could mislead consumers, reduce sales, and adversely affect the Company’s brand reputation.



The Company's products, particularly cashews and other food items, enjoy a certain level of brand recognition and consumer trust in the market. However, the Company is exposed to the risk of counterfeit, cloned, or pass-off products being sold in the market under similar branding or packaging. Such unauthorized products may mislead consumers, dilute the brand image, reduce sales, and adversely affect the reputation and goodwill of the Company.

Although the Company has implemented measures to protect its brand and monitor the market for such activities, including strict quality controls, trademark, there can be no assurance that such instances will not occur in the future. Any occurrence of such unauthorized or misleading products could result in consumer dissatisfaction, legal disputes, loss of revenue, and a material adverse effect on the Company's business, financial condition, results of operations, and cash flows. The Company continues to take proactive steps to safeguard its brand and maintain consumer trust, but the risk of counterfeit products remains inherent to its business.

As one date of Draft Red Herring Prospectus, the Company has not experienced any incidents of counterfeit, cloned, or pass-off products impacting its business. However, there can be no assurance that similar incidents will not occur in the future.

New Risk factor has been included as RF-24

Yashvardhan Food Industries Private Limited ("YFIL") is currently inactive in trading and manufacturing; however, its business objectives, as stated in the Memorandum of Association, may align with the Company's operations in the future, potentially leading to competitive or strategic risks.

The Company's subsidiary, Yashvardhan Food Industries Private Limited ("YFIL"), continues to retain certain trading-related objects in its Memorandum of Association. However, YFIL has not undertaken any trading or manufacturing activities since its conversion into a private limited company, and its current operations are limited to leasing industrial property and plant & machinery to the Company.

While there is currently no business overlap or conflict of interest between the Company and YFIL, subsidiary retains objects that could, in the future, relate to trading or manufacturing activities. Although the Company has implemented a policy to identify and manage any potential conflicts of interest, there can be no assurance that any future conflicts of interest will be fully mitigated.

Risk factor 25 has been modified to include the status of NOC's received from Unsecured lenders

25. **We have unsecured loans from promoters, directors and their relatives, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our liquidity and business operations.**

As per our restated consolidated financial statements, as on June 30, 2025, we have unsecured loan of Rs.74.50 lakhs from promoters, promoter group and directors which is repayable on demand. Any demand from them for repayment of such unsecured loans, may adversely affect our liquidity and business operations. We have received No-Objection Certificates for repayment from almost all lenders, except for a few that are currently pending which we are in process of obtaining it. For further details of these unsecured loans, please refer to "Annexure No. 8" on the Chapter titled "Restated Financial Statements" beginning on page 189 of this Draft Red Herring Prospectus.



SECTION IV-INTRODUCTION

GENERAL INFORMATION

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter**	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
[●]	[●]	[●]	[●]

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

** We will enter into an underwriting agreement prior to the filing of the Red Herring Prospectus (RHP) with the Stock exchange.

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



SECTION V- PARTICULARS OF THE ISSUE

OBJECTS OF THE OFFER

DETAILS OF THE OBJECTS OF THE ISSUE

1. TO MEET WORKING CAPITAL REQUIREMENTS:

Our Company is involved in processing of cashew nut & trading of other dry fruits such as Fox nut & Almonds, Given the nature of our operations, our business model is highly working-capital intensive, with a significant portion of funds being required upfront for raw material procurement.

To support our expansion plans, we intend to utilise ₹725.00 Lakhs from Net Proceeds from the Issue towards meeting our working capital requirements. It is important to note that while these funds are aligned with our expansion strategy for the next financial year, the utilisation will primarily take place during the procurement season of January to June in the current year. The raw materials procured in this period will be processed and monetised in the subsequent financial year, thereby directly contributing to our growth plans.

- (1) Helping us increase the capacity optimization in our processing plant located at Ghiloth Industrial Area, Neemrana, District Alwar, Rajasthan.
- (2) As we expand our B2C vertical, additional working capital support will be required to address the longer receivables cycle associated with this channel. The expansion will primarily focus on strengthening General Trade (Retail Stores) and Modern Trade (Organized retail chain) by increasing the number of retail counters where our branded retail packs are placed. Under this sales model, the receivables cycle typically extends to around 45 days, thereby creating a higher working capital intensity compared to other segments.

To support these growth initiatives, we propose to utilize ₹725.00 Lakhs from the Net Proceeds of the Issue to fund incremental working capital requirements. This infusion of capital will enable us to procure raw materials efficiently during peak seasons, manage cash flows effectively during the B2C scale-up phase, improve operating efficiencies, and support brand-building initiatives. By investing in working capital, we believe we can improve profitability and execute our long-term strategic objectives.

The details of our Company's working capital as of March 31, 2023, March 31, 2024, March 31, 2025 and June 30 2025 derived from and the source of funding, on the basis of Restated Financial Statements (Standalone Basis), are set out in the table below:

A) *Basis of estimation of incremental working capital requirement*

Particulars	31.03.2023	31.03.2024	31.03.2025	30.06.2025
	Restated Audited	Restated Audited	Restated Audited	Restated Audited
<u>Current Assets</u>				
Inventories	269.83	681.36	781.50	913.48
Trade Receivables	173.72	98.73	201.82	424.96
Short Term Loans and Advances	266.62	562.90	1,038.25	343.67
Other Current Assets	44.65	144.67	204.03	161.47
Total Current Assets	754.82	1,487.66	2,225.60	1,843.58
<u>Current Liabilities</u>				
Short Term Borrowings (Other than Working Capital funding from Banks and Financial Institutions)	0	74.73	343.53	436.91
Trade Payables	1.49	18.94	68.10	239.11
Other Current Liabilities	14.43	103.69	500.24	63.81
Short Term Provisions	18.52	55.92	93.39	36.64

Total Current Liabilities (B)	34.44	253.28	1,005.26	776.47
Total Working Capital Requirement (A-B)	720.38	1,234.38	1,220.34	1,067.11
Working Capital Funding from Banks and Financial Institutions	-	353.98	591.50	690.95
Funded through internal accruals/ Net Worth	720.38	880.40	628.84	376.16

B) Estimated Working Capital Requirement

On the Basis of existing working capital requirements, the board of Directors of the company pursuant to its resolution dated September 26th, 2025 propose to utilize Rs.725 Lakhs of the Net Proceeds in the Financial Year ended March 31, 2026, towards our Company's working capital requirements. The balance portion of working capital requirement of our Company shall be met through internal accruals and borrowings. On the basis of our existing working capital requirements, management estimates and estimated working capital requirements, the proposed funding of such working capital requirements is set forth below:

(Rs. In Lakhs)

Particulars	31.03.26
	Projected
<u>Current Assets</u>	
Inventories	1,200
Trade Receivables	458.33
Short Term Loans and Advances	1,500
Other Current Assets	200
Total Current Assets (A)	3,358.33
<u>Current Liabilities</u>	
Short Term Borrowings (Other than Working Capital funding from Banks and Financial Institutions)	0
Trade Payables	80.48
Other Current Liabilities	200
Short Term Provisions	247.13
Total Current Liabilities (B)	527.61
Total Working Capital Requirement (A-B)	2,830.72
<u>Sources of Working Capital</u>	
Net Proceeds from the IPO	725
Internal Accruals	1,755.72
Working Capital Funding from Banks and Financial Institutions	350
Total	2,830.72

Rationale For Variation in Working Capital Requirements:

1. Rationale for Net Working Capital Requirements in FY23

• Increased Raw Material Procurement

The Company procured a higher volume of raw materials during FY 2022-23 to meet the rising demand, driven by a strong turnaround in business performance. Revenues increased from ₹748.69 lakhs in FY 2021-22 to ₹1,674.68 lakhs in FY 2022-23, reflecting significant growth in operations. The Company expanded its customer base and observed a positive growth trend. In line with this growth, the Company procured a higher volume of raw materials in advance between its harvesting season i.e., January to June in FY 2022-23 to ensure uninterrupted production throughout the year and meet the anticipated demand for FY 2023-24, thereby supporting the anticipated increase in sales. To meet this anticipated increase in demand, the Company procured raw materials in advance, resulting in a

higher deployment of funds in inventory.

The inventory procured in FY 2022–23 consisted of raw materials purchased in advance under the High Seas Purchase (HSP) model to support production requirements in FY 2023–24. This proactive procurement strategy ensured the timely availability of raw materials and contributed to higher closing inventory levels in FY 2022–23.

- **Increase in Trade Receivables:**

The Company's Trade Receivables increased from ₹18.71 lakhs in FY 2021–22 to ₹173.72 lakhs in FY 2022–23, primarily driven by higher revenue and an expanded customer base. Revenues rose from ₹748.69 lakhs to ₹1,674.68 lakhs during this period, resulting in a corresponding increase in credit sales. Following the setup of the Khari Baoli sales office, the number of customers increased from 51 to 132 in FY 2022–23. To support this growing customer base and drive sales, the Company extended credit periods, which led to trade receivable days increasing from 7 days to 21 days, reflecting longer credit cycles extended to accommodate new and existing customers. Consequently, the higher receivable days, combined with increased sales and customer count, resulted in a larger amount of funds being tied up in receivables, thereby contributing significantly to the overall Working Capital Requirement.

- **Short-Term Borrowings Clearance**

During FY 2022–23, the Company settled the current maturities of its short-term borrowings, reducing the outstanding borrowing balance from ₹144.34 lakhs in FY 2021–22 to nil in FY 22-23. This repayment, while strengthening the Company's financial position, temporarily increased the Working Capital Requirement from 144.34 Lakhs.

Overall, the increase in Working Capital Requirement reflects the Company's proactive approach to supporting higher sales, accommodating an expanded customer base, and maintaining uninterrupted production, while simultaneously strengthening its financial position through the repayment of short-term borrowings.

2. Rationale for Increase in Net Working Capital Requirements in FY24

Under the earlier model, the Company followed a partial advance system (typically 10%), wherein procurement was made by advance booking of shipments already en route to India. This approach required lower advance payments. However, it limited the Company's ability to physically inspect goods prior to dispatch, leading to occasional quality variations in raw material received. FY 2023-24 marked the adoption Front loaded Procurement strategy for the Company. The Company began paying 100% upfront for procurement and building inventory for the subsequent Financial Year.

In this procurement-first, sales-later model, the closing working capital at year-end primarily supports the following year's production and revenue generation as the procurement season for Cashews is from the month of January to June which means the inventory acquired during January, February, and March of any given financial year is recorded in the closing working capital on that year's balance sheet. However, since the sales for this stock are largely realized in the subsequent financial year, the closing working capital at year-end primarily serves to support production and revenue generation for the following year, rather than the current one. This results in a timing difference between procurement (and associated working capital deployment) and revenue recognition, which is a structural feature of our company's operating cycle.

Resulting Changes in Working Capital Requirement

- **Increase in Short term Loans and Advances**

Short-Term Loans and Advances increased from ₹266.62 lakhs in FY 2022–23 to ₹562.90 lakhs in FY 2023–24 due to two key reasons.

Firstly, under the front end procurement company has to pay 100% advance instead of the earlier 10%, which significantly increased the working capital requirement. Second, the Company procured a higher volume of raw materials to meet growing demand and ensure uninterrupted production.

- **Increase in Inventory**

Inventories increased from 269.83 lakhs to 681.36 lakhs because of the following three factors:

Seasonal Factors: In FY 2023–24, Holi fell on 25th March 2024, just before the financial year-end. To meet last-minute orders from institutional and wholesale customers, the Company maintained a higher level of finished goods inventory as of 31st March.

Adoption of Front End Procurement Model: FY 2023-24 marked the adoption of Front loaded Procurement strategy for the Company. Thus the Company started building inventory for the subsequent Financial Year.



In this procurement-first, sales-later model, the closing working capital at year-end primarily supports the following year's production and revenue generation as the procurement season for Cashews is from the month of January to June which means the inventory acquired during January, February, and March of any given financial year is recorded in the closing Inventory on that year's balance sheet.

Increase in Sales: The company recorded strong growth in sales during FY 2023–24, supported by higher trading volumes and improved demand from institutional and wholesale customers. To meet the further growing demand and ensure uninterrupted supply, the company maintained higher levels of both raw materials and finished goods inventory.

3. Rationale for decrease in the net working capital requirements in FY25.

The drop in Working Capital Gap (WCG%) during FY 2024–25 was purely timing-driven and does not reflect a structural change in the Company's operating cycle. The reasons for it are listed below:

1. Timing of Customer Advances

During FY 2024–25, the Company engaged in raw cashew nut trading Under which raw cashews were procured directly from farmers in Africa and sold to domestic processors and traders. To take the benefit of bulk buying opportunities during the Peak buying season the Company received customer advances based out in india of approximately ₹475 lakhs for bulk trading orders around 31 March 2025.

As the cashew procurement season runs from January to June, these advances came near year-end. This inflow increased current liabilities, which temporarily reduced the reported WCG as of 31 March 2025.

2. Change in Borrowing Classification

Short-term borrowings increased from ₹74.73 lakhs to ₹343.53 lakhs during FY 2024–25.

This rise was primarily due to the reclassification of certain long-term loans, where the current maturities (repayments due within one year) were included under short-term borrowings

3. Consistent Procurement Intensity

Despite this temporary accounting impact, the Company continued its regular procurement cycle under the Front-End Procurement Model to support the next year's production and revenue generation. As a result, the Company's overall working capital requirements remained consistent, since the procurement pattern and timing continued in line with its established business model as witnessed by amount of Short term loans and advances which stood at 1038.35 lakhs in FY 24-25 as compared to 562.90 lakhs in FY 23-24 and inventories which stood at 781.50 lakhs in FY 24-25 as compared to 681.36 lakhs in FY 23-24

Holding levels and key assumptions for working capital requirements-(In Table Format of Last 3 Years & along with projection)

Particulars	FY2025-26 (Projected)	Q1 FY26 (Jun 2025)	FY 2024–25	FY 2023–24	FY 2022–23
A. Trade Receivables	21 Days	16 Days	16 Days	22 Days	21 Days
B. Inventory	90 Days	47 Days	98 Days	101 Days	53 Days
C. Trade Payables	6 Days	8 Days	6 Days	2 Days	1 Day
Working Capital Cycle (A + B - C)	105 Days	55 Days	108 Days	121 Days	73 Days

JUSTIFICATIONS FOR HOLDING LEVELS OF WORKING CAPITAL CYCLE:

Justification	Details
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Justification	Details
Inventory	Inventories of the Company consist primarily of raw materials with minimal finished goods. The major constituents are: • Raw Cashew Nuts (RCN): Procured directly from West Africa (Nigeria–Benin and Togo–Benin borders) between January and June each year, under the direct supervision of our Managing Director, ensuring consistent quality and competitive pricing. • Fox Nuts (Makhana): Sourced during the Bihar harvest season, with emphasis on premium 5–6 suta sizes to cater to both institutional and retail demand. • Almonds: Procured from NCR-based processors engaged exclusively in Non-Pareil Californian grades, ensuring product consistency and compliance with customer specifications.
Reason for Inventory Level	Inventory – Year-on-Year Movement The Company’s inventory holding period has fluctuated in line with procurement patterns and operational requirements: • FY 2022–23: During the first full year of operations, the Company focused on meeting only its immediate production needs. Procurement of raw materials was done in smaller quantities to support short-term production plans, rather than building stock for future demand as the company has not yet adopted Front load Procurement which involves purchasing raw materials from farmers in south Africa model and building inventory for supporting subsequent year demand and production. In addition to this at that stage, the Company had not yet experienced the seasonal demand pattern—for example, the sharp increase in orders during the festive seasons i.e., Holi, Diwali especially between October to March. Because of this limited visibility into future demand, the Company maintained a lower level of closing inventory at the end of the year. FY 2023–24: Inventory increased sharply to 101 days, as the Company undertook front-loaded procurement of raw cashew nuts. This strategic move was driven by the fact that a majority of the raw materials are imported from overseas, resulting in long delivery lead times. The advance procurement was aimed at securing a steady supply, preventing stockouts and processing delays, and mitigating the impact of price volatility. • FY 2023–24: During FY 2022–23, the Company observed that demand for cashew products increases sharply around the Holi festival towards the end of March. In FY 2023–24, since Holi fell on 25th March 2024, just before the financial year-end, the Company had to maintain a higher level of finished goods inventory to meet urgent, last-minute orders from institutional and wholesale customers. At the same time the company has also adopted Front load Procurement model which involves purchasing raw cashews from farmers in Africa. From January to June and building inventory for supporting subsequent year demand and production. Thus goods procured during January to March are accounted in the closing inventory of the current year. As a result, both finished goods and raw material stock levels were higher, leading to an increase in closing inventory and inventory days as of 31st March 2024. • FY 2024–25: In FY 2024–25, Holi occurred earlier, on 14th March 2025, which enabled the Company to complete a substantial portion of its dispatches before the financial year-end. Consequently, the level of finished goods inventory as of 31st March 2025 was relatively lower compared to the previous year. • FY 2025–26 (Projected): In FY 2025–26, Holi falls earlier, on 4th March 2026, and the Company expects that most seasonal dispatches will be completed well before the financial year-end, resulting in relatively lower finished goods inventory as of 31st March 2026. Raw material holdings are, however, expected to remain consistent, as the Company continues to procure in bulk under its Front-End Procurement Model to ensure uninterrupted processing until the next crop cycle in late April–May 2026. With the new automated Neemrana plant now operating at enhanced capacity and improved process efficiency, the Company expects smoother production scheduling, better synchronization between procurement and processing, and faster order fulfillment. The increased throughput and optimized production flow are expected to improve the inventory turnover ratio, reflecting more efficient



Justification	Details
	utilization of both raw materials and finished goods.

2. PREPAYMENT OR REPAYMENT OF A PORTION OF CERTAIN OUTSTANDING BORROWINGS AVAILABLE BY OUR COMPANY

Our Company has entered into various financing arrangements with banks and financial institutions. The loan facilities entered into by our Company include borrowings in the form of, inter alia, term loans and working capital facilities. For further details, see “Financial Indebtedness” on page 216 of this Draft Red Herring Prospectus.

Our Board of Director in its meeting dated September 26, 2025 propose to utilize a sum of ₹950.00 lakhs from the Net Proceeds of the Issue towards repayment or prepayment, in part or in full, of certain borrowings, details of which are provided in the table below. The repayment or prepayment of these borrowings will not, whether directly or indirectly, be routed to our Promoters, Promoter Group, Group Companies, or Associates.

We believe that such repayment or prepayment will result in a reduction of our outstanding indebtedness and improvement in our debt-to-equity ratio. This will also lead to a reduction in finance costs, thereby improving our overall profitability. Additionally, it will enable more efficient utilization of our internal accruals towards business growth and expansion initiatives. Strengthening our balance sheet and improving our leverage position are expected to enhance our ability to raise future capital at competitive terms, supporting the execution of business development and strategic growth plans.

Given the dynamic nature of borrowings and associated repayment schedules, the aggregate outstanding amounts may vary from time to time. Consequently, the table below shall be updated, as required, to reflect the revised borrowing details at the time of filing of the Red Herring Prospectus. Further, the estimated schedule of deployment of Net Proceeds across a particular fiscal may be adjusted, and repayment/prepayment may be undertaken in subsequent fiscals as considered appropriate by the Company.

The selection of borrowings for repayment/prepayment shall be determined based on various considerations, including:

- (i) restrictions or preconditions attached to the borrowings,
- (ii) prepayment penalties and associated costs,
- (iii) prevailing interest rates, outstanding amounts, and remaining tenor,
- (iv) lender consents or waivers required for prepayment, and
- (v) legal, regulatory, and commercial factors.



The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds is mentioned below:

S. No	Lender Name	Type of Loan	Date of Loan Agreement	Date of first disbursement of loan	Purpose of Loan	Amt as per loan agreement (In Lakh)	Tenure	Interest Rate	Loan amt availed and Utilised	Amt outstanding on December 31 st , 2025 *	Repayment from IPO Proceeds	Amt outstanding	Estimated amt of prepayment penalty
1	Kotak Mahindra bank Limited	CC Limit	21/02/2025	05/03/2025	Working capital	800	12 months-renewable yearly	9.2%	800	800#	770	30**	-
2	AU Small Finance Bank	Term Loan	28/12/2024	01/01/2025	For Financing Plant & Machinery	200	96 Months	8.75%	200	182.77*	180	2.77**	-
Total									1000	982.77	950	32.77	

* This amount will be outstanding as on 31.12.2025.

** The outstanding amount of CC Limit & term loan after repayment from IPO proceed, will be pay off by internal accrual.

Assume the CC Limit fully utilized.

Note 1 - The Details in the Above Tables have been Certified by our Statutory Auditor M/s. Ajay K. Kapoor & Company, Chartered Accountants by a Certificate Dated September 26th, 2025.

Note 2 - In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, we have obtained a certificate dated September 26th, 2025 from the Statutory Auditors, certifying that the borrowings have been utilized towards the purposes for which such borrowings were availed by us.

Note 3 - No borrowings have been rescheduled or restructured, and there are no pending defaults by the Company, its Promoters or Group Companies.

Note 4 - The Company confirms that there have been no delays or defaults in repayment of principal or interest to any bank, financial institution or NBFC.

Total outstanding borrowings of the Company on a standalone basis

Total Fund-based secured and unsecured borrowings availed by the Company and amount outstanding as on 30th June 2025 are set forth in table below:

Secured Borrowings

S. No.	Name of the lender	Sanctioned Date	Purpose	Sanctioned Amount (Rs. In Lakhs)	Rate of interest	Re-Payment Schedule	Outstanding amount as on 30.06.2025 (Rs. In Lakhs)
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1.	AU Small Finance Bank – Machinery	28/12/24	For Financing and Plant Machinery	200.00	8.75%	96 months	192.51
2.	Kotak Mahindra Bank Ltd	21/02/25	Working Capital	800.00	9.2%	Max tenor 1 year	690.95

Unsecured Borrowings :

S. No.	Name of the Lender	Sanctioned Date	Nature of Loan	Sanctioned Amount (Rs. In Lakhs)	Rate of interest	Re-Payment Schedule and EMI instalments	Outstanding amount as on 30.06.2025 (Rs. In Lakhs)	Purpose of the Loan
1.	Axis Bank Ltd	02.05.2024	SBB Business Power BRE	25	16.5%	36 months	16.57	Business Loan
2.	Bajaj Finance Ltd	27.04.2023	SME Unsecured Loan	30.80	17%	36 months	11.21	Business Loan
3.	Clix Capital Services Ltd	30.04.2023	Business Unsecured Loan	20	18%	36 months	6.69	Business Loan
4.	IDFC First Bank Ltd	21.04.2023	Business Unsecured Loan	30.6	16.4%	36 months	10.98	Business Loan
5.	Kisetsu Saison Finance (India) Pvt Ltd	30.04.2023	Unsecured Term Loan Facility	15.3	18%	36 months	5.57	Business Loan
6.	Kotak Mahindra Bank Ltd	30.04.2023	Personal Finance Unsecured Loan	30	16.78%	36 months	10.8	Business Loan
7.	L&T Finance Ltd	28.04.2023	SME Business Unsecured Loan	20	18%	36 months	7.33	Business Loan
8.	Poonawala Fincorp Ltd	28.04.2023	Business Unsecured Loan	20	17%	36 months	7.26	Business Loan
9.	SSA Finserve (P) Ltd	22.12.2023	Unsecured Term Loan	250	12%	Repay the entire outstanding loan in one stroke (bullet repayment) on the day exactly 22 months from the date of disbursement. The Loan is not installment base.	250	Business Loan
10.	MTI	09.04.2025	Unsecured Loan	100	9%	Loan taken	100	Workin



	Material (P) Ltd					for the period of Six Months and repay till the 15.10.2025. The Loan is not installment base.		g Capital Require ment
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The Company confirms that there have been no delays or defaults in repayment of principal or interest to any bank, financial institution or NBFC.

No borrowings have been rescheduled or restructured, and there are no pending defaults by the Company, its Promoters or Group Company

SECTION-VI ABOUT THE COMPANY

OUR BUSINESS

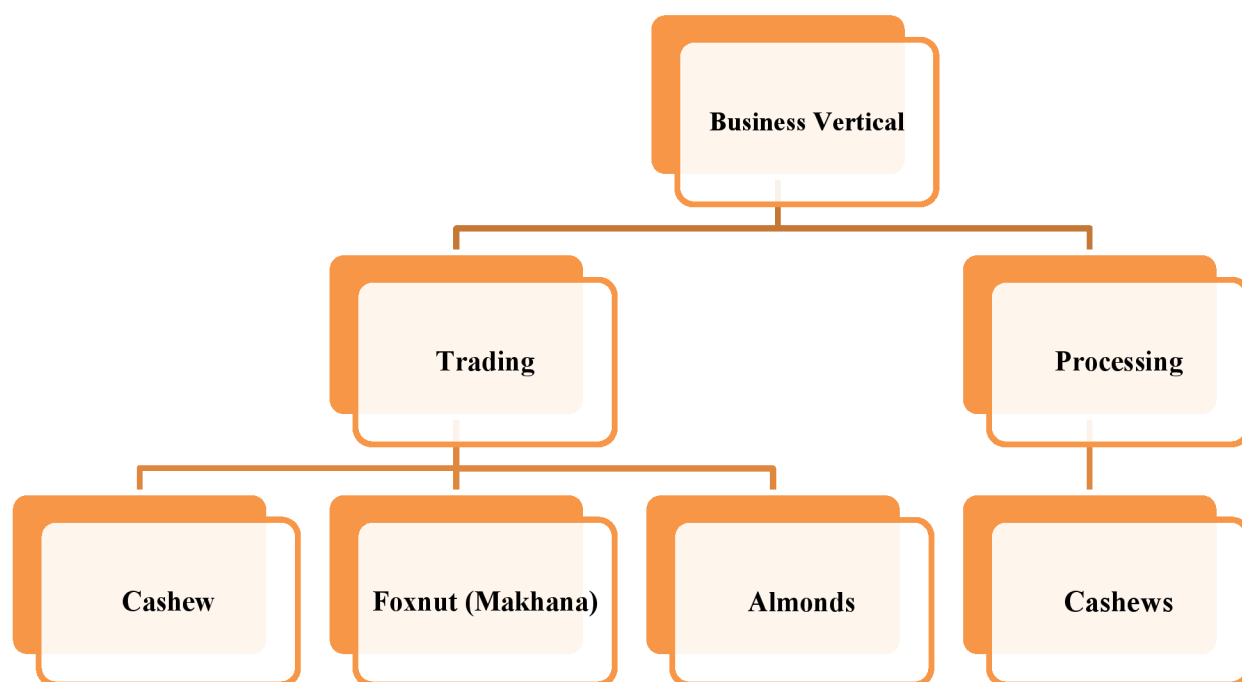
BUSINESS OVERVIEW:

The following information is qualified in its entirety by, and should be read together with, the detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the section titled “Risk Factors”, beginning on page 27 of this Draft Red Herring Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the detailed information about our Company and its financial statements, including the notes thereto, in the section titled “Risk Factors”, “Financial Statement” beginning on page 27 and 189 respectively, of this Draft Red Herring Prospectus.

Unless otherwise stated or the context otherwise requires, in relation to business operations, in this section of this Draft Red Herring Prospectus, all references to “we”, “us”, “our” and “our Company” are to “M/s. NFP Sampoorna Foods Limited”.

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Consolidated Financial Statements.



Note: Our Company is currently engaged in both Processing and Trading of Cashews nuts.

Following is the breakup of our revenue as per our business verticals:

Revenue from operations	For the Period 01.04.2025 to 30.06.2025	Percentage (%)	For the Year 01.04.2024 to 31.03.2025	Percentage (%)	For the Period 21.12.2023 to 31.03.2024	Percentage (%)	For the Period 01.04.2023 to 20.12.2023	Percentage (%)	For the Year 01.04.2022 to 31.03.2023	Percentage (%)
Processing										
Cashew and Cashew Processing	583.58	31.25%	2193.95	61.57%	599.64	99.99%	1574.05	92.55%	1639.54	97.90%
Trading										
Raw Cashew Nuts	1272.15	68.14%	1279.58	35.92%	-	-	62.35	3.67%	35.14	2.10%
Makhana	9.68	0.52%	85.22	2.39%	-	-	-	-	-	-
Almonds	1.60	Negligible	0.02	Negligible	-	-	-	-	-	-
Clove	-		-		-	-	64.30	3.78%	-	-
Salt	-	-	3.34	0.09%	0.02	0.01%	-	-	-	-
Briquette	-	-	1.56	0.04%	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	1867.01	100.00%	3563.667	100.00%	599.66	100.00%	1700.70	100.00%	1674.68	100%

Bifurcation of Revenue

Product wise bifurcation of Revenue are tabulated as follows:

Revenue from operations	For the Period 01.04.2025 to 30.06.2025	Percentage (%)	For the Year 01.04.2024 to 31.03.2025	Percentage (%)	For the Period 21.12.2023 to 31.03.2024	Percentage (%)	For the Period 01.04.2023 to 20.12.2023	Percentage (%)	For the Year 01.04.2022 to 31.03.2023	Percentage (%)
Processing										
Cashew and Cashew Processing	583.58	31.25%	2193.95	61.57%	599.64	99.99%	1574.05	92.55%	1639.54	97.90%
Trading										
Raw Cashew Nuts	1272.15	68.14%	1279.58	35.92%	-	-	62.35	3.67%	35.14	2.10%
Makhana	9.68	0.52%	85.22	2.39%	-	-	-	-	-	-
Almonds	1.60	Negligible	0.02	Negligible	-	-	-	-	-	-
Clove	-		-		-	-	64.30	3.78%	-	-
Salt	-	-	3.34	0.09%	0.02	0.01%	-	-	-	-
Briquette	-	-	1.56	0.04%	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	1867.01	100.00%	3563.667	100.00%	599.66	100.00%	1700.70	100.00%	1674.68	100%

Bifurcation of revenue earned from B2B , B2C and B2G



For the period of April 2025 to June 2025

Sr. No.	B2B (Amount in lacs)	% (Percentage) of B2B	B2C (Amount in lacs)	%(Percentage) of B2C	B2G (Amount in lacs)	%(Percentage) of B2G
1	1840.81	98.60%	22.52	1.21%	3.68	0.19%

For FY 2024-25

Sr. No.	B2B (Amount in lacs)	% (Percentage) of B2B	B2C (Amount in lacs)	%(Percentage) of B2C	B2G (Amount in lacs)	%(Percentage) of B2G
1	3449.75	96.80	60.52	1.70%	53.40	1.50%

For FY 2023-24

Sr. No.	B2B (Amount in lacs)	% (Percentage) of B2B	B2C (Amount in lacs)	%(Percentage) of B2C	B2G (Amount in lacs)	%(Percentage) of B2G
1	2,269.59	98.05%	45.15	1.95%	-	-

For FY 2022-23

Sr. No.	B2B (Amount in lacs)	% (Percentage) of B2B	B2C (Amount in lacs)	%(Percentage) of B2C	B2G (Amount in lacs)	%(Percentage) of B2G
1	1,655.02	98.83%	19.66	1.17%	-	-

OUR BUSINESS STRATEGIES

1. Brand and Retail Development

The Company is actively strengthening its brand and retail presence as a key pillar of its growth strategy. Leveraging increasing consumer demand for healthy snacking options, the Company plans to scale up its existing retail brand through a multi-channel approach. This includes targeted expansion across leading e-commerce platforms such as Amazon, Blinkit and Mystore, as well as entry into modern trade outlets and footfall retail stores in metro and Tier I cities.

To enhance visibility and consumer trust, the Company has entered into strategic arrangements with the government institutions for the sale of branded SKUs through their outlets in major metropolitan cities. The product portfolio includes **250 g consumer pouches** for retail sales and **10 kg tins** for institutional and bulk buyers. Additionally, the Company has established its own retail outlet at **Khari Baoli, Delhi**, India's largest dry-fruit market, strengthening brand presence and providing direct customer access.

2. Optimal Utilization of Installed Capacity

Our Company aims to achieve maximum utilization of the installed capacity at its processing unit located at Plot No. C-63, RIICO Industrial Area, Ghiloth, Rajasthan – 301705. The unit has an installed capacity of 2,500 MT for Cashew Shell processing and 670 MT for finished Cashew Kernels. The Company has commissioned a **15 MT/day cashew processing facility** at Neemrana, Rajasthan, designed for high operational efficiency. To optimize capacity usage, we plan to strengthen raw material procurement through reliable sourcing channels

To enhance the utilization of installed capacity, production planning has been aligned with procurement seasonality through **batch scheduling and lot-wise production**. **Planned maintenance schedules** and basic spare management have been implemented to

minimize unplanned downtime. The Company follows a **dual-source raw material procurement strategy**, sourcing approximately 65% from selected African countries and 35% domestically, ensuring year-round availability of quality cashews. African origins have been carefully selected based on **processing efficiency and kernel yield**, enabling faster turnaround times, improved plant productivity, and better utilization of installed capacity.

This approach is also expected to support inventory management, allowing us to maintain optimum stock levels without overstocking or understocking. In the long term, this would contribute to more stable production cycles, improved cost management, and better responsiveness to market demand, supporting our broader goal of sustainable and efficient growth.

3. Procurement Network Strengthening

The Company has established direct sourcing relationships in key West African origins, including Benin, Ghana, Burkina Faso, and Togo. The **Managing Director personally oversees procurement** at these origins during the harvest season to ensure superior quality, build supplier trust, and maintain traceable sourcing. By reducing dependence on intermediaries and fostering long-term supplier relationships, the Company has **integrated direct export-import logistics**, enhancing efficiency and reliability in the supply chain.

LIST OF MACHINERY

PROCESS NAME	NAME OF MACHINE USED	Quantity	Owned By	Whether from Related party or not
Boiling	Boiler & chimney	1	Yashvardhan Food Industries Pvt Ltd	Yes
Transformer	Transformer for electricity	1	Yashvardhan Food Industries Pvt Ltd	Yes
RCN cleaning system	RCN dust collector system	1	Yashvardhan Food Industries Pvt Ltd	Yes
RCN grading system	Raw cashew nut grader	1	Yashvardhan Food Industries Pvt Ltd	Yes
RCN storage bins pre-cooking	RCN storage perforated bins grade wise (a,b,c,d)	4	Yashvardhan Food Industries Pvt Ltd	Yes
RCN cooking system	Cooker	4	Yashvardhan Food Industries Pvt Ltd	Yes
RCN cooling bins post cooking	Perforated sheets cooling bin	6	Yashvardhan Food Industries Pvt Ltd	Yes
Shelling machines	Auto 4 head shelling machines			
	Grade a	4	Yashvardhan Food Industries Pvt Ltd	Yes
	Grade b	9	NFP Sampoorna Foods Limited	-
	Grade c	10	NFP Sampoorna Foods Limited	-
	Grade d	4	Yashvardhan Food Industries Pvt Ltd	Yes
	Auto 6 head shelling machines			
	Grade c	1	NFP Sampoorna Foods Limited	-
Scooping line - (includes vibratory sieves, scooping boxes, kernel separators)	Line for grade b	1	NFP Sampoorna Foods Limited	-
	Line for grade c	1	NFP Sampoorna Foods	-

			Limited	
	Line for grade d	1	NFP Sampoorna Foods Limited	-
Shell inspection belt and shell storage bin	Shell inspection belt and storage silo	2	NFP Sampoorna Foods Limited	-
Nw drying	Steam borma	3	NFP Sampoorna Foods Limited	-
	Steam borma	1	Yashvardhan Food Industries Pvt Ltd	Yes
Humidification	Moisture cabin	2	NFP Sampoorna Foods Limited	-
Peeling	Peeling machine	2	NFP Sampoorna Foods Limited	-
Camera based sorter	My meyer color sorter	1	NFP Sampoorna Foods Limited	-
	Nano pix size sorter	2	NFP Sampoorna Foods Limited	-
	Venus color sorter	1	NFP Sampoorna Foods Limited	-
Impurity collection	Vibro sieves separator for hair, husk, insects	1	NFP Sampoorna Foods Limited	-
Kernels dryer	Electrical dryer	2	NFP Sampoorna Foods Limited	-
Packing	Tin vibro packing machine	1	NFP Sampoorna Foods Limited	-
	Retail packing 250 gm sealer and printer	1	NFP Sampoorna Foods Limited	-
Air compressor	Screw air compressor for air generation	3	NFP Sampoorna Foods Limited	-

Note:

Our Company has entered into a lease agreement with Yashvardhan Food Industries Private Limited dated June 09, 2025, for the use of various plant and machinery installed at its manufacturing facility

The lease transaction has been entered into at an arm's length price, and the Company has obtained an independent certificate from a chartered engineer confirming that the lease rental and terms are consistent with prevailing market benchmarks for similar equipment. The lease agreement has been duly executed, adequately stamped, and notarized, and all requisite documentation is maintained in the Company's records.

As the lessor is a wholly owned subsidiary of the Company, there exists no conflict of interest and the transaction is undertaken solely for operational convenience and efficiency.

DETAILS OF IMMOVABLE PROPERTY

The details of the Immovable properties by company are given below:

Properties owned/Leased by the Company:

Sr. No.	Details of Property	Licensor/Lessor	Area	Owned/Leased/ License	Consideration/ Lease Rental/ License Fee (in ₹)	Usage	Whether Related party or not
1.	Ground Floor B-3A & B-3B, Plot No 70, Najafgarh Road Industrial Area,	Rajesh Devi	1800 Sq. ft.	Lease Agreement dated February 20th 2024 for a period of 36 months commencing from	₹85,000/- per month;	Registered Office and Corporate Office	No

	Rama Road, New Delhi- 110015.			April 1st 2024 to March 31st 2027.			
2.	Plot No. C-63 RIICO Industrial Area, Ghiloth, Tehsil Neemrana – Behror, Alwar – 301706, Rajasthan	M/s Yashvardhan Food Industries Private Limited, Formerly known as Yashvardhan Food Industries	67177.56 Sq. ft	Lease agreement dated June 1st, 2025 for a period of 6 months i.e., from June 1st, 2025 to December 1st, 2025	4,50,000/- month	Manufacturing Unit/ Processing Unit*	Yes
3.	Hall – I on First Floor, Municipal No.83, Ward No.III, Gandhi Gali, Tilak Bazar, Delhi- 110006	Mrs. Smita Jain	100 sq. ft	Lease agreement dated August 1st, 2025 for a period of 11 months i.e. from August 1st, 2025 to June 30, 2026.	55,000/- month	Godown	No
4.	One Hall – II on First Floor, Municipal No.83, Ward No.III, Gandhi Gali, Tilak Bazar, Delhi-110006	Mrs. Aastha Jain	70 sq. ft	Lease agreement dated August 1st, 2025 for a period of 11 months i.e. from August 1st, 2025 to June 30, 2026.	30,000/- month	Godown	No
5.	Shop No. 40/8, Ground Floor, Gandhi Gali, Fateh Puri, Delhi-110006	Mrs. Parisha Sharma	48 sq. ft	Rent agreement dated January 16, 2025 for a period of 11 months commencing from February 1st 2025 to December 31st, 2025.	95,000/- month	Sales Outlet	No

We hereby confirm that the transaction with the lessor has been undertaken on an **arm's length basis**, on terms and conditions that are comparable to those prevailing in similar transactions with unrelated parties.

INSURANCE DETAILS

We maintain a range of insurance policies to cover our assets, risks and liabilities. We have obtained insurance in order to manage the risk of losses from potentially harmful events, including: (i) Insurance Policy Covering Standard Fire, Plant and Machinery, Accessories and Stocks; (ii) Burglary Policy. These insurance policies are renewed periodically to ensure that the coverage is adequate.

We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India.

Sr. No.	Insurance Company	Type of policy	Policy No.	Validity	Insured Amount in ₹	Premium Paid
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1.	Zurich Kotak General Insurance Company (India) Limited	Marine Cargo - Open Cover	5943066500	20/06/2025 to. 19/06/2026	20,00,00,000	1,65,201
2.	Zurich Kotak General Insurance Company (India) Limited	Marine Cargo - Open Policy	5943076500	20/06/2025 to. 19/06/2026	50,00,00,000	1,29,999
3.	Zurich Kotak General Insurance Company (India) Limited	Burglary Policy	5929294000	20/06/2025 to. 19/06/2026	10,00,00,000	1,180.00
4.	Zurich Kotak General Insurance Company (India) Limited	Zurich Kotak Bharat Laghu Udyam Suraksha.	5929297200	20/06/2025 to. 19/06/2026	10,00,00,000	2,10,040
5.	Shriram General Insurance Company Limited	Employee Compensation Insurance	213044/48/26/000102	19/08/2025 to 18/08/2026	Subject otherwise, to the terms, conditions & Exclusions of the Policy, the amount of Liability incurred by the Insured	1,19,353

The **details of the insurance coverage** of the Company as a **percentage of tangible assets and Inventories** for the last three financial years are provided below:

Insurance Coverage Ratio:

For Assets (In Lakhs)				
Particular	2025-26 (Till June 30 th , 2025)	2024-25	2023-24	2022-23
Total Assets	1891.35	421.48	139.5	119.55
Insurance Value	1195	95	55	55
% coverage ratio	63%	23%	39%	46%

For Inventories (In Lakhs)				
Particular	2025-26 (Till June 30 th , 2025)	2024-25	2023-24	2022-23
Total Inventories	938.49	781.5	681.36	269.83
Insurance Value	938.49	781.5	600	269.83
% coverage ratio	100%	100%	88%	100%

LOGISTICS

We have to rely upon third party transportation service providers for the delivery of raw material to us from our suppliers and delivery of our products to the customers.

The Company has established a structured logistics mechanism for the movement of raw materials and finished goods.



Inbound (Raw Material Logistics):

Raw Cashew Nuts imported from Africa are delivered by shipping lines to Container Freight Stations (CFS) at ports such as Mundra and other major ports. After customs clearance, the material is transported to the Company's processing facility at Neemrana in 25–40 ton trucks, depending on the lot size. The inland transportation is handled by one, who has been associated with the Company for over three years, ensuring safe and timely movement of goods. Finished products, including cashew kernels, makhana, and dry fruits, are transported from the Neemrana facility to the Company's warehouse and outlet at Khari Baoli, Delhi through Local Transportation.

Outbound (Finished Goods Logistics):

Processed products, including cashew kernels, makhana, and dry fruits, are transported from the Neemrana facility to the Company's warehouse at Khari Baoli, Delhi through Local Transportation. Deliveries to wholesalers, retailers, and institutional customers are carried out from this warehouse through third-party transporters and delivery service providers. The Company's operations in Delhi provide convenient access to multiple transporters and logistics partners such as Porter and other third-party vendors, facilitating cost-effective and timely dispatch of products across India.

This model provides the Company with a **secure, flexible, and cost-optimized supply chain**, ensuring timely availability of raw materials and swift delivery of finished goods to its customers.

Sales and Marketing

The Company's sales and marketing strategy is shaped by the industry experience of its promoters, Mr. Praveen Goel and Mr. Yashvardhan Goel, who contribute to planning and guiding market expansion efforts. Their background in agro-trading helps align the Company's approach with ongoing market trends and customer requirements.

The Company follows a mix of these strategy to expand its reach:

➤ **Distribution & Institutional Sales:** Led by Mr. Anil Gupta, Vice President – Sales, the focus areas include institutional clients, B2G procurement, and large-volume buyers. The Company also maintains a presence in Khari Baoli, Delhi, which serves as a major distribution channel and provides ongoing market insights.

➤ **Targeted Customer Segments:** The sales approach addresses the needs of various customer groups including government buyers, institutional clients (such as sweet shops and food processors), and regional distributors and wholesalers.

➤ **Brand Awareness:** The Company adopts a low-cost, organic model for brand visibility through direct customer interaction, repeat business, and presence in traditional wholesale markets. It avoids aggressive promotional campaigns or exaggerated advertising.

Together, these focused efforts enable the Company to build strong customer relationships, expand its market presence, and support steady business growth.

The Company does not operate through distributor or dealer network and has not entered into arrangement with distributors and dealers.



OUR MANAGEMENT

CORPORATE GOVERNANCE

We are in compliance with the requirements of the Companies Act in respect of corporate governance including constitution of the Board and committees thereof. Further, conditions of corporate governance as stipulated in Regulation 17 to 27 of the SEBI LODR Regulations And clause (b) to (i) of sub-regulation (2) of regulation 46 and Para C ,D and E of Schedule is not applicable to our company in terms of the Regulation 15(2)(b) of the SEBI LODR Regulations. Our Board has been constituted in compliance with the Companies Act. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Draft Red Herring Prospectus, our Company has 5 (Five) Directors on the Board, 1 (One) as Managing Director, 1 (One) Whole Time Director, 1 (One) Chairman and Non- Executive Director and 2 (Two) as Non- Executive Independent Directors.

COMMITTEES OF THE BOARD OF DIRECTORS

CSR COMMITTEE

As per the provisions of Section 135(1) of the Companies Act, 2013, the Corporate Social Responsibility (CSR) requirements are applicable to companies meeting any of the following thresholds during the immediately preceding financial year:

- a) Net worth of ₹500 crore or more, or
- b) Turnover of ₹1,000 crore or more, or
- c) Net profit of ₹5 crore or more.

Since the Company does not meet any of the above thresholds, the provisions of Section 135 of the Companies Act, 2013 relating to CSR are not applicable to the Company as on date. Accordingly, no CSR expenditure or activity has been undertaken during the reported periods. Accordingly, company has not constituted CSR Committee.

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Ms. Babli, Company Secretary and Compliance Officer, Age 29 Years

Ms. Babli is an Associate Member of the Institute of Company Secretaries of India (ICSI), having qualified in December 2023. She holds a Master's degree in Commerce (M.Com) from Maharshi Dayanand University, obtained in 2019, and a Bachelor's degree in Commerce (Hons.) from the same university, completed in 2016. She is currently pursuing her Bachelor of Laws (LLB) from Indira Gandhi University, Rewari, Haryana. She has over 1.5 years of cumulative experience in corporate secretarial practice, primarily gained through her work with a reputed Practicing Company Secretary firm and as a Consultant Company Secretary at M/s Cue Learn Private Limited.

Her professional experience includes company and LLP incorporations, corporate restructuring, secretarial audits, due diligence, and regulatory compliances under the Companies Act, 2013 and FEMA. She has handled key matters such as ESOP implementation, and statutory filings with the Registrar of Companies and Reserve Bank of India. She is also experienced in managing various business registrations and ongoing compliance requirements.



OUR GROUP COMPANY

Confirmation

We hereby confirm there is no entity or group company within the Promoter Group that is engaged in a business similar to that of the Company as on the date of the Draft Red Herring Prospectus (DRHP).

SECTION: VII FINANCIAL INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS
AND RESULTS OF OPERATIONS

Significant increase in the Revenue of the Company in FY24 as compared to FY23.

The Company's revenue increased by **37.36%**, from **₹1,674.68 lakh in FY 2022–23 to ₹2,300.36 lakh in FY 2023–24**, driven by higher production output, improved operational efficiencies, and stronger market access. FY 2022–23 was the first full year of operations, during which stabilization efforts, introductory pricing, and higher breakage levels impacted performance. In FY 2023–24, capacity utilization improved, breakage reduced significantly, and direct procurement from Africa lowered input costs. Production volumes increased substantially—kernel output rose from **242.83 MT to 367.36 MT**, and cashew shell production from **680.25 MT to 1,124.22 MT**—resulting in higher sales. Additional revenue was contributed by a one-time cloves trading activity (3.78% of total revenue). Strengthening of the Delhi (Khari Baoli) sales office further enhanced market penetration, with regional sales increasing from **₹1,027.67 lakh to ₹1,619.91 lakh** and the active customer base rising from **88 to 163**. These factors collectively supported the Company's strong revenue growth during the year.

Significant increase in the PAT of the Company in FY24 as compared to FY23.

The Company's revenue from operations grew 37.36% in FY 2023–24, from ₹1,674.68 lakh to ₹2,300.36 lakh, driven by improved operational efficiency, higher production output, and better market penetration. Expense growth of 34.53% remained below revenue growth, reflecting stronger cost control and improved operating leverage. Other income increased to ₹30.55 lakh, aided by foreign exchange gains and actionable claims, while efficient inventory utilization (change in inventories rising from ₹129.36 lakh to ₹411.52 lakh) supported higher sales and improved margins. Enhanced product mix, higher realization from premium-grade kernels, and a one-time clove trading profit of ₹7.43 lakh further strengthened profitability. PAT increased from ₹41.59 lakh to ₹102.29 lakh, with PAT margins improving from 2.48% to 4.45%, supported by higher capacity utilization, reduced breakage, and transition from introductory pricing to institutional pricing. The Khari Baoli sales office significantly boosted market access, with Delhi-region revenue rising from ₹1,027.67 lakh to ₹1,619.91 lakh and active customers increasing from 88 to 163, contributing meaningfully to improved realizations and profitability.

Significant increase in the Revenue of the Company in FY25 as compared to FY24

The Company recorded strong revenue growth of 55% in FY 2024–25, increasing from ₹2,300.36 lakh to ₹3,563.67 lakh, driven by expanded market reach and higher trading volumes. Institutional sales rose sharply, supported by the Khari Baoli sales office, with the B2B customer base increasing from 163 to 226, alongside growth in B2C and the addition of B2G sales. Trading activity, particularly in Raw Cashew Nuts (RCN), increased significantly, with trading revenue rising from ₹64.32 lakh to ₹1,369.72 lakh, contributing 38.43% of total revenue. Geographical expansion, especially in Gujarat, strengthened the Company's presence in key processing clusters. Product diversification through Foxnut and Almond trading further supported revenue growth. The Company's direct procurement network in Africa ensured consistent quality, lower procurement costs, and enhanced gross margins, enabling competitive pricing and deeper institutional penetration.

Significant increase in the PAT of the Company in FY25 as compared to FY24.

The Company's PAT increased significantly by 163.32%, from ₹102.29 lakh in FY 2023–24 to ₹269.36 lakh in FY 2024–25, driven by strong revenue growth and improved operational efficiency. Revenue from operations rose 54.91% to ₹3,563.67 lakh, outpacing expense growth of 48.02%, reflecting better cost control and scale efficiencies. Gross margins strengthened as the Company shifted from the high-sea sales model to direct front-end procurement of raw cashews from African markets, reducing input costs and improving kernel quality. Cost of revenue declined from 92.55% to 79.45% of revenue, while employee expenses fell from 10.83% to 6.43% due to automation and improved productivity. Trading activities expanded substantially, with trading revenue rising from ₹64.32 lakh to ₹1,369.72 lakh, supporting higher profitability. Finance costs and depreciation remained proportionate to revenue, indicating efficient working capital management and capacity expansion. Overall, improved procurement, better product mix, automation-led operational gains, and strategic expansion into RCN, almond, and makhana trading contributed to a higher PAT margin of 7.55%, up from 4.45% in the previous year.



Significant increase in the Revenue of the Company in stub period as compared to FY25.

The Company achieved revenue of ₹1,867.01 lakh up to June 30, 2025, supported primarily by strong performance in the Raw Cashew Nut (RCN) trading vertical. Trading revenue rose to ₹1,283.43 lakh, contributing 68.75% of total revenue, driven by peak-season procurement, strengthened sourcing networks, and the Company's ability to leverage customer advances and direct procurement from African and domestic suppliers. As trading is seasonal, its contribution is highest in Q1, while the remaining quarters are expected to be manufacturing-driven. Market reach continued to expand, with sales of ₹1,840.81 lakh (B2B), ₹22.52 lakh (B2C) and ₹3.68 lakh (B2G) in Q1, supported by steady customer acquisition. Geographical expansion remained strong, with notable traction in Karnataka (8.51% of turnover) and a significant increase in Haryana (31.40%), driven by trading activity routed through key processing clusters. With the new facility ramp-up and continued trading momentum, the Company remains on track to achieve its FY 2025–26 revenue target.

Decrease in the PAT of the Company in stub period as compared to FY25.

During the stub period ended June 30, 2025, the Company's financial performance was affected by the seasonal nature of its business. The first quarter (April–June) is primarily focused on procurement and trading activities, which generate lower margins as compared to manufacturing. As a result, trading contributed a higher share of revenue during this period, impacting overall profitability. Manufacturing and processing operations, which generally yield better margins, contributed a lower proportion of revenue during the stub period.

The Company also operated at a lower capacity utilization of around 55–60% due to the delayed arrival of the new cashew crop and subdued market demand during summer months. Lower utilization resulted in higher per-unit fixed costs, further affecting margins. Additionally, this quarter typically experiences weaker market demand and lower selling prices, as it precedes the festive and institutional buying season when demand and margins are stronger. Consequently, the combined impact of higher trading share, lower capacity utilization, and reduced realizations led to a decline in PAT, making the stub period performance not fully reflective of the Company's annual profitability.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPEMENT

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoters.

In terms of the SEBI ICDR Regulations, the Company is required to disclose in the Draft Red Herring Prospectus / Red Herring Prospectus/ Prospectus all outstanding (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) taxation matters (indirect and direct taxes); and (iv) other pending material litigation, involving our Company, our directors, our promoters and our group companies.

Our Board, in its meeting held on June 13, 2024 determined that outstanding legal proceedings involving the Company, its Directors and Promoter will be considered as material litigation (“Material Litigation”) as per the following:

1. For the purposes of determining outstanding material litigation(s) involving the Company, five per cent (5%) of the profit after tax as per the latest audited financial statement, for the entire financial year, is to be considered as the appropriate threshold for determination of material litigations of the Company. The Company has identified material litigation matters on the following parameters:

For outstanding litigation which may, or may, not have any impact on the future revenues of our Company:

- (a) where the aggregate amount involved in such individual litigation exceeds five per cent (5%) of the profit after tax as per the latest audited financial statement, for the entire financial year;
- (b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation may not exceed five per cent (5%) of the profit after tax and amount involved in all of such cases taken together exceeds five per cent (5%) of the profit after tax as per the latest audited financial statement, for the entire financial year; and
- (c) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation may not exceed five per cent (5%) of the profit after tax and amount involved in all of such cases taken together exceeds five per cent (5%) of the profit after tax as per the latest audited financial statement, for the entire financial year; or

Where the value or expected impact in terms of value exceeds the lower of the following:

- (a) Two percent (2%) of turnover, as per the latest annual restated financial statements of the Company i.e. ₹ 71.28 lakhs; or
- (b) Two percent (2%) of net worth, as per the latest annual restated financial statements of the Company (except in cases where the arithmetic value of net worth is negative) i.e. ₹ 18.10 lakhs; or
- (c) Five percent (5%) of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the Company i.e. ₹ 6.89 lakhs.

2. For the purposes of determining material litigation(s) involving our Directors, all outstanding litigation involving each Director shall be considered and if any such litigation has an adverse outcome and therefore, would materially and adversely affect the reputation, operations or financial position of the Company, it shall be considered as material litigation and accordingly, each of our directors shall identify and provide information relating to such outstanding litigation involving themselves.



Litigations initiated by the Senior Managerial Personnel

1. Civil or other proceedings

There are no civil or any other litigation initiated by any of the Senior Managerial Personnel except disclosed below-

Mr. Anil Kumar Gupta, Vice President -Marketing as detailed below-

Case No. CS 1069/2022

Case Title

Anil Kumar Gupta & Anr. Vs Geeta & Anr.

Pending at

Additional Senior Civil Judge Cum Judge Small Cause Court Cum Guardian Judge, Shahdara

Facts in Brief

As per the plaint filed in the above referred suit, Plaintiff Mr. Anil Kumar Gupta was owner of the first floor, stilt floor and basement of the property situated at no.2486, Gali No12, Bihari Colony, Shahdara, Delhi-110032. Subsequently Petitioner sold first floor to the Respondents. As stated in the Plaint, Respondent have been making repeated attempts to take possession of the Stilt floor and basement of the said property, ownership of which, as per the Plaint filed, remains with the Petitioner. Hence, the Petitioner has filed the present Suit for permanent and mandatory injunction against the defendants restraining the Defendants from interfering with or disturbing the peaceful, vacant and uninterrupted possession, occupation and enjoyment of the suit property consisting of basement measuring 49.34 Sq. Mtr and shop on stilt floor admeasuring 14.96 Sq. Mtr situated at bearing no.2486, Gali No12, Bihari Colony, Shahdara, Delhi-110032.

Present status

Evidence stage of both the Plaintiff and the Respondents.

Next Date of Hearing

19.11.2025

Total Amount involved

This being a suit for permanent and mandatory injunction against respondent from disturbing the peaceful possession of the property by the Plaintiff, it is not possible to quantify any amount involved.

Impact on the business and financials of Issuer

The suit being personal matter of the Plaintiff is an employee of the Issue, outcome of the suit would have no impact whatsoever on the business or financials of the Issuer.

B. OUTSTANDING DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES OR ANY OTHER CREDITORS

In accordance with our Company's materiality policy dated June 13, 2024, below are the details of the Creditors where there are outstanding amounts as on June 30, 2025:

Sr.	Types of Creditors	No. of Creditors	Amount (₹ in Lakhs)
	Total Outstanding dues to Micro, Small & Medium Enterprises	7	23.48
	Other Creditors	16	215.63
	Total (1+2)	23	239.11
	Material Creditors	1	197.41
	Total Creditors		239.11

Note: The total outstanding dues as on June 30th, 2025 of ₹239.11 lakh primarily represent trade payables for raw cashew nut procurement, packaging, logistics, and related operational supplies.



GOVERNMENT AND OTHER STATUTORY APPROVALS

i. Material approvals or renewals for which applications are currently pending before relevant authorities;

Licenses/Approvals for which applications have been made by our Company and are pending has been disclosed below:

Sr. No.	Description	Application Number	Authority	Date of Application	Date of Expiry
1.	Fire NOC	LSG/NEEMRANA/FI RENOC/2025- 26/58019	Local Self Government Department of Rajasthan	25/08/2025	-

ii. Material approvals expired and renewal yet to be applied for by the Company;

We confirm that there are no material approvals which have expired and for which renewal is yet to be applied by the Company.

iii. Material approvals required but not obtained or applied for by the Company;

We confirm that there are no material approvals which are required for the operations of the Issuer but have not yet been applied for or obtained.

We hereby confirm to update the same in Red Herring Prospectus.